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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

CHRISTOPHER VILLA, CRYSTAL APPLON,
JENNY BROWN, ANGIE DURAN, VESENIA
AGUILAR HERNANDEZ, DAYANA
LOBERA ROJAS, DARNELL MENDROS,
STEPHANIE THOMAS, VICTOR SPENCER
WILEY, and SIMONE WOODS, individually,
and on behalf of all others similarly situated,

Plaintiffs,

v.

ENSIGN SOUTHLAND, LLC, a Nevada
limited liability company; *et al.*,

Defendants.

Case No.: 22STCV27700

*[Assigned for All Purposes to the Honorable
Timothy Patrick Dillon, Dept. 15]*

**DECLARATION OF JOHN G. YSLAS IN
SUPPORT OF PLAINTIFFS' MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION AND PAGA
SETTLEMENT**

Preliminary Approval Hearing:

Date: October 6, 2026

Time: 10:00 a.m.

Dept.: 15

Action Filed: August 25, 2022

DECLARATION OF JOHN G. YSLAS

I, John G. Yslas, hereby declare as follows:

1. I am an attorney at law licensed to practice before all of the courts of the State of California. I am Senior Partner and Chair of the Employment Wage & Hour Class Action Department at Wilshire Law Firm, PLC (“WLF”), counsel for Plaintiffs Christopher Villa, Crystal Applon, Jenny Brown, Angie Duran, Vesenia Aguilar Hernandez, Dayana Lobera Rojas, Darnell Mendros, Stephanie Thomas, Victor Spencer Wiley, and Simone Woods (collectively “Plaintiffs”) in this matter. I am thoroughly familiar with and have personal knowledge of all of the facts set forth herein.

2. I submit this declaration in support of Plaintiffs’ Motion for Preliminary Approval of Class Action and PAGA Settlement.

Defendants

3. Defendant The Ensign Group, Inc., along with Flagstone Healthcare North, LLC, Flagstone Healthcare Central, LLC, and Flagstone Healthcare South, are the parent companies of numerous facilities, including the Employer Defendants,¹ that provide skilled nursing and assisted living services, physical, occupational and speech therapies, and additional post-acute related services throughout California. Per its website, Defendant The Ensign Group, Inc. is affiliated with 398 facilities in 17 states,² 84 of which are located in California.³ Plaintiffs allege that during their employment, each Defendant acted as the principal agent, partner, joint venturer, officer, director, subsidiary, affiliate, parent corporation, successor in interest and/or predecessor in interest of some or all of the other Defendants, engaged with some or all of the other Defendants in a joint enterprise for profit so as to be liable for the violations alleged in the class action and PAGA representative complaints.

¹ “Defendants” are defined in Paragraph 1.18 of the Settlement Agreement; “Employer Defendants” are defined in Paragraph 1.20 of the Settlement Agreement; and “Parent Entities” are defined in Paragraph 1.38 of the Settlement Agreement. Attached thereto as **Exhibit 1** is a true and correct copy of the Parties’ fully executed Class Action and PAGA Settlement Agreement.

²See <https://ensigngroup.net/>

³See <https://ensigngroup.net/locations/>

4. Plaintiffs allege that at all relevant times herein, and since at least 2012, the Parent Entities, through their Employer Defendants, directly or indirectly, employed Plaintiffs and other employees by exercising control over their wages, hours, and working conditions by sharing common policies and practices applicable to their entire workforce.

5. Plaintiffs further allege in the operative complaint that during the employment of Plaintiffs, each Defendant acted as the principal agent, partner, joint venturer, officer, directors, subsidiary, affiliate, parent corporation, successor in interest and/or predecessor in interest of some or all of the other Defendants, engaged with some or all of the other Defendants in a joint enterprise for profit so as to be liable for the violations alleged in the 16 separate class action and PAGA representative complaints.

Procedural History

6. Between 2022 and 2026, Plaintiffs collectively filed 16 separate complaints against Defendant The Ensign Group, Inc. and/or its subsidiaries or affiliated entities in 7 counties throughout California. These actions involved at least 10 facilities operated by Employer Defendants across the state and asserted overlapping wage-and-hour claims. As set out below, Plaintiffs provided written notice to the LWDA and Defendants of specific provisions of the Labor Code alleged to have been violated, including the facts and theories in support.

Plaintiffs Pending Actions & Notices to the LWDA

7. On August 25, 2022, Plaintiff Villa filed a class action complaint in Los Angeles County Superior Court, Case No. 22STCV27700, alleging causes of action against Defendants Ensign Southland LLC, Southland Management, LLC dba Southland Care Center, Ensign Services, Inc., and The Ensign Group, Inc. for (1) failure to pay minimum and straight times wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; and (7) unfair business practices (“*Villa Class Action*”).

8. On July 21, 2022, Plaintiff Villa provided written notice to the LWDA and Defendants Ensign Southland, LLC and Southland Management, LLC dba Southland Care Center (a subsidiary or affiliate of the Parent Entities) of the specific provisions of the Labor Code alleged

1 to have been violated. A true and correct copy of the notice to the LWDA is attached hereto as
2 **Exhibit 1**. The LWDA did not notify Plaintiff Villa that it intended to investigate. Thereafter, on
3 September 22, 2022 Plaintiff Villa filed a PAGA representative action complaint for civil penalties
4 pursuant to Labor Code § 2699, *et seq.* in Los Angeles County Superior Court, Case No.
5 22STCV31128 (“*Villa* PAGA Action”).

6 9. On November 3, 2023, following briefing on Defendants’ purported arbitration
7 agreement, the Court granted Defendants’ Motion to Compel Arbitration and Stay Proceedings in
8 the *Villa* PAGA Action. In the *Villa* Class Action, following the ruling in the *Villa* PAGA Action,
9 the parties stipulated to dismiss the class claims and proceed on an individual basis in arbitration.
10 Plaintiff Villa submitted his individual claims to binding arbitration on December 1, 2023.

11 10. On July 31, 2023, Plaintiff Darnell Mendros filed a class action complaint in
12 Ventura County Superior Court, Case No. 2023CUOE012045, alleging causes of action against
13 Defendant C Street Health Associates LLC dba Glenwood Care Center for (1) failure to pay
14 minimum and straight times wages; (2) failure to pay overtime wages; (3) failure to provide meal
15 periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at
16 termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify
17 employees for expenditures; and (8) unfair business practices (“*Mendros* Class Action”).

18 11. On September 1, 2023, Plaintiff Mendros provided written notice to the LWDA and
19 Defendant C Street Health Associates LLC dba Glenwood Care Center (a subsidiary or affiliate of
20 the Parent Entities) of the specific provisions of the Labor Code alleged to have been violated. A
21 true and correct copy of the notice to the LWDA is attached hereto as **Exhibit 2**. The LWDA did
22 not notify Plaintiff Mendros that it intended to investigate. On December 4, 2023, Plaintiff
23 Mendros filed a PAGA representative action complaint for civil penalties pursuant to Labor Code
24 § 2699, *et seq.* in Ventura County Superior Court, Case No. 2023CUOE017252 (“*Mendros* PAGA
25 Action”). On September 26 2024, the *Mendros* Class and PAGA Actions were consolidated.

26 12. On January 31, 2024, Plaintiff Duran provided written notice to the LWDA and
27 Defendants Portside Healthcare, Inc. dba Mission Hills Post Acute and Ensign Services, Inc. (a
28 subsidiary or affiliate of the Parent Entities) of the specific provisions of the Labor Code alleged

1 to have been violated. A true and correct copy of the notice to the LWDA is attached hereto as
2 **Exhibit 3**. The LWDA did not notify Plaintiff Duran that it intended to investigate. On April 5,
3 2024, Plaintiff Duran filed a PAGA representative action complaint for civil penalties pursuant to
4 Labor Code § 2699, *et seq.* in San Diego County Superior Court, Case No. 37-2024-00016271-
5 CU-OE-CTL (“*Duran PAGA Action*”).

6 13. On March 27, 2024, Plaintiff Duran filed a class action complaint in San Diego
7 County Superior Court, Case No. 37-2024-00014525-CU-OE-CTL, alleging causes of action
8 against Defendants Portside Healthcare, Inc. dba Mission Hills Post Acute, Ensign Services, Inc.,
9 and The Ensign Group, Inc., for (1) failure to pay minimum and straight times wages; (2) failure
10 to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest
11 periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized
12 wage statements; (7) failure to indemnify employees for expenditures; (8) failure to produce
13 requested employment records; and (9) unfair business practices (“*Duran Class Action*”).

14 14. After conferring on the arbitration agreements, Plaintiff Duran stipulated to dismiss
15 the *Duran Class* action in its entirety without prejudice on November 14, 2024, and stipulated to
16 proceed with individual claims in arbitration, staying the representative PAGA claims pending the
17 outcome of arbitration on September 20, 2024 in the *Duran PAGA Action*. Plaintiff Duran
18 submitted her individual PAGA claims to binding arbitration on October 25, 2024.

19 15. On February 1, 2024, Plaintiff Thomas provided written notice to the LWDA and
20 Defendants Rio Hondo Healthcare, Inc. dba Downey Post Acute (a subsidiary or affiliate of the
21 Parent Entities) Ensign Services, Inc., and The Ensign Group, Inc. of the specific provisions of the
22 Labor Code alleged to have been violated. A true and correct copy of the notice to the LWDA is
23 attached hereto as **Exhibit 4**. The LWDA did not notify Plaintiff Thomas that it intended to
24 investigate. On June 12, 2024, Plaintiff Thomas filed a PAGA representative action complaint for
25 civil penalties pursuant to Labor Code § 2699, *et seq.* in Los Angeles County Superior Court, Case
26 No. 24STCV14669 (“*Thomas PAGA Action*”).

27 16. On June 12, 2024, Plaintiff Thomas filed a class action complaint in Los Angeles
28 County Superior Court, Case No. 24STCV14746, alleging causes of action against Defendants Rio

Hondo Healthcare, Inc. dba Downey Post Acute, Ensign Services, Inc., and The Ensign Group, Inc. for (1) failure to pay minimum and straight times wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; (8) failure to produce requested employment records; and (9) unfair business practices (“*Thomas Class Action*”).

17. Given the prior ruling on Defendants’ Motion to Compel Arbitration in the *Villa* PAGA Action, which involved the same or substantially similar arbitration agreement in the *Thomas Class Action*, Plaintiff Thomas stipulated to dismiss the *Thomas Class Action* in its entirety without prejudice on September 25, 2024. On August 16, 2024, Plaintiff Thomas also stipulated to proceed with individual claims in arbitration, staying the representative PAGA claims pending the outcome of arbitration. Plaintiff Thomas submitted her individual PAGA claims to binding arbitration on October 15, 2024.

18. On June 19, 2024, Plaintiff Applon provided written notice to the LWDA and Danville Long-Term Care, Inc. (a subsidiary or affiliate of the Parent Entities) of the specific provisions of the Labor Code alleged to have been violated. A true and correct copy of the notice to the LWDA is attached hereto as **Exhibit 5**. The LWDA did not notify Plaintiff Applon that it intended to investigate. On May 29, 2025, Plaintiff Applon filed a class and PAGA representative action complaint in Contra Costa County Superior Court, Case No. C25-01504 for (1) failure to pay minimum and straight times wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; (8) failure to produce requested employment records; (9) unfair business practices; and (10) civil penalties under PAGA (“*Applon Action*”). On July 16, 2025, Plaintiff Applon filed an amended complaint adding Defendants Mountain Violet Healthcare, Inc. and The Ensign Group, Inc. as named defendants. On March 6, 2026, defendant Danville Long-Term Care, Inc. was dismissed without prejudice.

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1 19. On October 22, 2024, Plaintiff Brown filed a class action complaint in Orange
2 County Superior Court, Case No. 30-2024-01434427-CU-OE-CXC, alleging causes of action
3 against Defendants Tustin Hills Healthcare, Inc. dba The Hills Post Acute (a subsidiary or affiliate
4 of the Parent Entities) and Clipboard Health, LLC for (1) failure to pay minimum and straight times
5 wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to
6 authorize and permit rest periods; (5) failure to provide accurate itemized wage statements; (6)
7 failure to indemnify employees for expenditures; and (7) unfair business practices (“*Brown Class*
8 *Action*”). On October 31, 2024, Plaintiff Brown provided written notice to the LWDA and
9 Defendant Tustin Hills Healthcare, Inc. dba The Hills Post Acute (a subsidiary or affiliate of the
10 Parent Entities) and Clipboard Health, LLC of the specific provisions of the Labor Code alleged
11 to have been violated. A true and correct copy of the notice to the LWDA is attached hereto as
12 **Exhibit 6**. The LWDA did not notify Plaintiff Brown that it intended to investigate.

13 20. On May 8, 2025, Plaintiff Brown’s individual claims against Defendant Clipboard
14 Health, LLC were compelled to arbitration, the class claims against Defendant Clipboard Health,
15 LLC were dismissed without prejudice, and the *Brown Class Action* was stayed pending the
16 outcome of arbitration.

17 21. On October 29, 2024, Plaintiffs Woods and Wiley filed a class action complaint in
18 Sonoma County Superior Court, Case No. 24CV06481, alleging causes of action against Defendant
19 Ensign Sonoma, LLC dba Broadway Villa Post Acute (a subsidiary or affiliate of the Parent
20 Entities) for (1) failure to pay minimum and straight times wages; (2) failure to pay overtime
21 wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5)
22 failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage
23 statements; (7) failure to indemnify employees for expenditures; and (8) unfair business practices
24 (“*Woods Class Action*”). On August 20, 2025, Plaintiffs Woods and Wiley provided written notice
25 to the LWDA and Defendant Ensign Sonoma LLC dba Broadway Villa Post Acute (a subsidiary
26 or affiliate of the Parent Entities) of the specific provisions of the Labor Code alleged to have been
27 violated. A true and correct copy of the notice to the LWDA is attached hereto as **Exhibit 9**. The
28 LWDA did not notify Plaintiffs Woods and Wiley that it intended to investigate.

22. On May 30, 2025, Plaintiff Lobera-Rojas provided written notice to the LWDA and Defendants Glimmer Healthcare, Inc. dba Ramona Nursing and Rehabilitation Center (a subsidiary or affiliate of the Parent Entities) and The Ensign Group, Inc. of the specific provisions of the Labor Code alleged to have been violated. A true and correct copy of the notice to the LWDA is attached hereto as **Exhibit 7**. The LWDA did not notify Plaintiff Lobera-Rojas that it intended to investigate.

23. On June 2, 2025, Plaintiff Lobera-Rojas filed a class action complaint in Los Angeles County Superior Court, Case No. 25STCV16022, alleging causes of action against Defendants Glimmer Healthcare, Inc. dba Ramona Nursing and Rehabilitation Center and The Ensign Group, Inc. for (1) failure to pay minimum and straight times wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; (8) failure to produce requested employment records; and (9) unfair business practices (“*Lobera-Rojas Action*”). On August 4, 2025, Plaintiff Lobera-Rojas filed a first amended complaint in the *Lobera-Rojas Action*, adding a cause of action under PAGA.

24. On June 25, 2025, Plaintiff Aguilar provided written notice to the LWDA and Defendants Stagecoach Healthcare, Inc. dba Desert Mountain Care Center (a subsidiary or affiliate of the Parent Entities), The Ensign Group, Inc., and Ensign Services, Inc., of the specific provisions of the Labor Code alleged to have been violated. A true and correct copy of the notice to the LWDA is attached hereto as **Exhibit 8**. The LWDA did not notify Plaintiff Aguilar that it intended to investigate.

25. On June 30, 2025, Plaintiff Aguilar filed a class action complaint in Orange County Superior Court, Case No. 30-2025-01494527-CU-OE-CXC, alleging causes of action against Defendants Stagecoach Healthcare, Inc. dba Desert Mountain Care Center, Ensign Services, Inc., and The Ensign Group, Inc. for (1) failure to pay minimum and straight times wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized

wage statements; (7) failure to indemnify employees for expenditures; (8) failure to produce requested employment records; and (9) unfair business practices (“*Aguilar* Action”). On August 29, 2025, Plaintiff Aguilar filed a first amended complaint, adding a cause of action under PAGA.

Mediation and Resolution

26. On September 5, 2025,⁴ the Parties participated in a private mediation with Tripper Ortman, Esq. Before mediation, Plaintiffs’ Counsel conducted substantial and wide-ranging investigation of the wage-and-hour claims asserted by Plaintiffs. Indeed, Plaintiffs contemplated and proffered the idea of a global resolution to Defendants early on. Over several months and the additional filings of complaints against Defendants’ facilities, the Parties agreed to attend mediation. In the leadup to mediation, Defendants produced, among other records, nearly 3,000 pages of records, comprising Employee Handbooks, Codes of Conduct, and wage-and-hour policies and forms in effect during the relevant Class Period, plus complete personnel, time, and pay records for each of the Plaintiffs, plus time and payroll records sample of employees (which included millions of time punches and pay data) as well as class data points across all of Defendants’ facilities. To that end, after extensive analysis and data collection, Defendants represented at mediation that the settlement population encompassed approximately 2.3 million workweeks across Defendants’ California facilities contemplated by the proposed global resolution.

27. With the help of the mediator, the Parties were able to reach an agreement on general settlement terms at mediation, including the \$12 million Gross Settlement Amount. That figure was negotiated with the statewide settlement metrics in mind, including the approximately 2.3 million workweeks. The Parties then memorialized their agreement in a Memorandum of Understanding (“MOU”) on or about October 9, 2025. The MOU provided for the preparation of an amended PAGA Notice and amended pleadings encompassing and consolidating the Plaintiffs’

⁴ In November 2024, the Parties initially scheduled mediation with Tripper Ortman, Esq. for March 21, 2025, but later rescheduled mediation to July 2, 2025 due to the Los Angeles wildfires impact in January 2025, as well as data analytics delays. Thereafter, in April 2025, the Parties rescheduled the July mediation to sometime in September 2025.

claims and theories asserted in each of their pending matters and which further added Defendants' statewide facilities (all under the Ensign umbrella) as named defendants.

28. The Parties further negotiated the full terms of the Settlement over the next several months and fully executed the Class Action and PAGA Settlement Agreement in April 2026. A true and correct copy of the Parties' fully executed Class Action and PAGA Settlement Agreement is attached hereto as **Exhibit 11**. Attached thereto as **Exhibit A** is a true and correct copy of the Parties' proposed Class Notice. A true and correct copy of the Settlement Agreement redlined against the Los Angeles Superior Court's Model Class Action and PAGA Settlement Agreement upon which the Settlement Agreement was based is attached thereto as **Exhibit 12**.

29. On June 1, 2026, Plaintiffs submitted an amended PAGA notice consolidating all the separate notices describe above under Plaintiff Villa's LWDA case number LWDA-CM-896901-22, encompassing the claims, theories, and Defendants included within the proposed global resolution. A true and correct copy of Plaintiffs' June 1, 2026 letter to Defendant and the LWDA is attached hereto as **Exhibit 10**. The LWDA did not notify Plaintiffs that it intended to investigate.

30. The Parties, as part of the settlement, also entered into a stipulation to re-assert the class claims in the *Villa* Class Action on June 12, 2026.

31. Pursuant to the terms of the settlement, on June 17, 2026, Plaintiffs also filed a First Amended Complaint in the *Villa* Class Action consolidating all Plaintiffs' pending actions, alleging the following causes of action against Defendants: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay wages during employment; (6) failure to pay vested vacation time; (7) failure to comply with paid sick leave laws; (8) failure to timely pay final wages at termination; (9) failure to provide accurate itemized wage statements; (10) failure to indemnify employees for expenditures; (11) failure to produce requested employment records; (12) failure to keep required records; (13) violation of the Fair Credit Reporting Act ("FCRA"); (14) violation of the California Investigative Consumer Reporting Agencies Act ("ICRAA"); (15) unlawful inquires into criminal history; (16) unfair business practices; and (17)

civil penalties under PAGA. Plaintiffs did so to ensure that the amended LWDA notice and amended pleadings tracked the claims, Defendants, and release periods encompassed by the Settlement, and to provide the LWDA with a clear record of the claims being released.

32. On August 17, 2026, Plaintiffs submitted a copy of the Settlement Agreement to the LWDA. A true and correct copy of the confirmation of submission my office received after submitting the Settlement Agreement to the LWDA is attached hereto as **Exhibit 13**.

Additional Pending Actions Encompassed by the Settlement Agreement

33. In addition to the 16 actions prosecuted by Plaintiffs, the global proposed Settlement includes over four dozen facilities not named in any pending wage-and-hour litigation and additionally will resolve approximately 23 other class and PAGA actions currently pending against one or more Defendants.

34. Those actions assert wage-and-hour claims and theories that overlap with those asserted in Plaintiffs' actions. The Parties' settlement negotiations contemplated a global resolution that would provide statewide relief to Class Members beyond those facilities immediately involved in any pending litigation.

The additional pending actions encompassed by the proposed Settlement include:

	Case Name, Court and Case No., Filing Date	Defendants
1.	<i>Gladys Bautista v. Brookside Healthcare et al.</i> San Bernardino County Superior Court Case No. CIVSB2427217 Filed: 9/6/2024	Redbrook Healthcare Associates LLC dba Brookside Healthcare Center; The Ensign Group, Inc.; Flagstone Healthcare Central LLC
2.	<i>Ema Bonillas v. Ensign Services, Inc. et al.</i> Los Angeles County Superior Court Case No. 25PSCV04035 Filed: 11/06/2025	Ensign Services, Inc.; The Ensign Group, Inc.; Glimmer Healthcare, Inc.; Barry Port; Alicia Gamero; Spencer Burton
3.	<i>Diamond Buford v. Ensign San Dimas LLC et al.</i> Los Angeles County Superior Court Case No. 26STCV08902 Filed: 3/18/2026	Ensign San Dimas LLC dba Arbor Glen Care Center; The Ensign Group, Inc.
4.	<i>Theresa Campbell v. Victoria Post Acute Care et al.</i> San Diego County Superior Court Case No. 25CU039233C Filed: 7/25/2025	Victoria Post Acute Care; The Ensign Group, Inc.
5.	<i>Melinda Conde v. Santa Maria Healthcare, Inc.</i> San Diego County Superior Court	Santa Maria Healthcare, Inc. dba Villa Maria Post Acute

	Case Name, Court and Case No., Filing Date	Defendants
	Case No. 37-2024-00024758-CU-OE-CTL Filed: 5/28/2024	
6.	<i>Latrice Fowler v. Ramon Healthcare Associates, Inc. et al.</i> Los Angeles Superior Court Case No. 26STCV19938 Filed: 6/23/2026	Ramon Healthcare Associates LLC dba Mission Care Center
7.	<i>Frania Gonzalez v. Park View Post Acute et al.</i> Orange County Superior Court Case No. 30-2025-01521875-CU-OE-CXC Filed: 10/24/2025	Ensign Montgomery LLC dba Park View Post Acute; The Ensign Group, Inc.
8.	<i>Evelyn Lim v. Downey Community Care LLC et al</i> Los Angeles County Superior Court Case No. 26STCV17386 Filed: 6/3/2026	Downey Community Care LLC dba Brookfield Healthcare Center
9.	<i>Karla Lloyd v. Gate Three Healthcare LLC et al.</i> Orange County Superior Court Case No. 30-2023-01365733-CU-OE-CXC Filed: 11/29/2023	Gate Three Healthcare LLC dba Palm Terrace Healthcare & Rehabilitation Center
10.	<i>Charina Manalo v. Nautilus Healthcare, Inc. dba The Cove at La Jolla et al.</i> San Diego Superior Court Case No. 24CU004493C Filed: 8/5/2024	Nautilus Healthcare, Inc. dba The Cove at La Jolla; The Ensign Group, Inc.; Ensign Services, Inc.
11.	<i>Ernesto Macias Martinez v. Victoria Post Acute Care et al.</i> San Diego Superior Court Case No. 25CU020565C Filed: 4/1/2025	Anza Healthcare, Inc. dba Victoria Post Acute Care; The Ensign Group, Inc.
12.	<i>Yudaly Medina v. Lemon Grove Health Care et al.</i> San Diego Superior Court Case No. 25CU022269C Filed: 4/29/2025	Lemon Grove Health Associates LLC dba Lemon Grove Care and Rehabilitation Center; Ensign Services, Inc.
13.	<i>Alyssa Nunez v. Magnolia Post Acute Care LLC</i> San Diego Superior Court Case # 37-2024-00003498-CU-OE-CTL Filed: 1/25/2024	Jefferson Healthcare LLC dba Magnolia Post Acute Care
14.	<i>Valery Nunez-Valencia v. Hollyleaf Healthcare, Inc. dba New Orange Hills et al.</i> Orange County Superior Court Case No. 30-2026-01553136-CU-OE-CXC Filed: 3/9/2026	Hollyleaf Healthcare, Inc. dba New Orange Hills; The Ensign Group, Inc.
15.	<i>Victor Palos v. Ensign Palm I LLC</i> Riverside County Superior Court Case No. CVRI2503825 Filed: 7/1/2025	Ensign Palm I LLC dba Premier Care Center for Palm Springs

	Case Name, Court and Case No., Filing Date	Defendants
16.	<i>Tanya Pena v. Ensign Whittier West LLC dba The Orchard Post-Acute Care</i> Los Angeles County Superior Court Filed: 8/6/2025	Ensign Whittier West LLC dba The Orchard Post Acute Care
17.	<i>Blanca Ramirez v. Gate Three Healthcare LLC dba Palm Terrace Healthcare and Rehabilitation</i> Orange County Superior Court Case No. 30-2024-01438744-CU-OE-CXC Filed: 11/8/2024	Gate Three Healthcare LLC dba Palm Terrace Healthcare & Rehabilitation Center
18.	<i>Mayra Rivas v. Ensign Services, Inc. et al.</i> Los Angeles County Superior Court Case No. 25PSCV03126 Filed: 8/28/2025	Ensign Services, Inc.; Glimmer Healthcare, Inc. dba Madera Post Acute Center (fka Ramona Nursing and Rehab. Ctr.)
19.	<i>Clayton Snow v. Vista Woods Health Associates LLC dba Vista Knoll Specialized care Facility et al.</i> San Diego Superior Court Case No. 25CU031741C Filed: 6/18/2025	Vista Woods Health Associates LLC dba Vista Knoll Specialized Care Facility; The Ensign Group, Inc.' Ensign Services, Inc.; Flagstone Healthcare South LLC
20.	<i>Valery Thamm v. Anza Healthcare, Inc. et al.</i> San Diego Superior Court Case No. 25CU034587C Filed: 6/30/2025	Anza Healthcare, Inc. dba Victoria Post Acute Care
21.	<i>Karla Torres v. City Heights Health Associates LLC dba Arroyo Vista Nursing Center</i> San Diego County Superior Court Case No. 26CU023373C Filed: 4/8/2026	City Heights Health Associates LLC dba Aroyo Vista
22.	<i>Arantza Unanua v. Anza Healthcare, Inc. et al.</i> San Diego County Superior Court Case No. 26CU003333C Filed: 1/21/2026	Anza Healthcare, Inc. dba Victoria Post Acute Care
23.	<i>Chanel Wiggs v. Rose Park Healthcare Associates, Inc. dba Shoreline Healthcare</i> Los Angeles Superior Court Case No. 25STCV14119 Filed: 5/14/2025	Rose Park Healthcare Associates LLC dba Shoreline Healthcare Center

35. However, the Parties entered mediation only after months of discussions regarding the relationship between Defendants' Parent entities and their facilities operating as separate legal entities. Indeed, the *Villa* Class Action was initially filed more than four years ago on August 25, 2022 and just one of the 16 separate actions Plaintiffs' counsel filed against Defendants. Moreover,

1 I understand that the next earliest filed action which would be encompassed by this Settlement was
2 not filed until November 29, 2023, more than a year after the *Villa* Class Action. In fact, aside from
3 the original 16 actions brought by Plaintiffs, none of the of the other pending actions encompassed
4 by this Settlement named all of the entities included in the *Villa* Class Action and only one of the
5 actions has any viable class claims pending given the existence of class-wide arbitration
6 agreements.

7 36. The Parties' settlement negotiations contemplated a global resolution involving
8 entities falling under the named defendant Ensign umbrella that would provide statewide relief to
9 Class Members employed by Defendant at its numerous facilities beyond those facilities
10 immediately involved in any pending litigation.

11 37. Plaintiffs from the outset anticipated enlarging their action to include all of
12 Defendants' facilities (which fall under the Ensign umbrella) following their investigation and
13 ultimately consolidated their claims and theories into the FAC and amended PAGA notice in the
14 *Villa* Class Action, pursuant to the terms of the proposed Settlement.

15 **As of April 2026 Over 95% of Then-Current Class Members Are Subject to Arbitration**
16 **Agreements**

17 38. During the course of Plaintiffs' several actions and at mediation, Defendants argued
18 repeatedly that virtually all Class Members are bound by enforceable arbitration agreements that
19 contain a class waiver and require Class Members to resolve any employment-related claim on an
20 individual basis in private arbitration. Defendants further contended that the litigation histories of
21 the multitude of cases pending against them confirm that any given plaintiff's ability to proceed in
22 Court against Defendants on a class-wide or representative basis is a very steep uphill battle
23 (making it highly improbable) with multiple obstacles – rendering the prospect of resolution on a
24 class or non-individual basis for employees an extremely remote and a distant possibility.

25 39. For example, in the *Villa* PAGA Action, the Court granted Defendants' Motion to
26 Compel Arbitration and stayed the case pending outcome of the arbitration of Plaintiff Villa's
27 individual claims. The parties initially stipulated to dismissal of the class claims without prejudice
28 and for Plaintiff Villa to proceed with his individual claims in arbitration. Given the ruling

1 compelling arbitration in the *Villa* PAGA Action, Defendants filed a Motion to Compel Arbitration
2 in the *Duran* PAGA Action. Given the unlikelihood of prevailing, the parties ultimately stipulated
3 to dismissal of the class claims from the *Duran* Class Action without prejudice, a stay of the
4 representative PAGA claims, and for Plaintiff Duran to proceed with her individual claims in
5 arbitration. Similarly, in the *Thomas* Class Action, the parties stipulated to Plaintiff Thomas
6 submitting the matter to individual arbitration and to a stay of the representative PAGA claims
7 pending completion of arbitration.

8 40. The granting of the motion to compel arbitration in the *Villa* PAGA Action and the
9 fact that no court has ever held Defendants' arbitration agreements to be unenforceable on
10 unconscionability grounds in any employment case, it was clear this case was mainly a PAGA
11 action given the unlikelihood of being able to proceed on a class basis.

12 **Investigation and Exposure Analysis**

13 41. The Settlement in this matter was the product of very extensive pre-mediation
14 investigation and discovery and a full-day mediation session with a respected mediator and months
15 of continued negotiations. The negotiations were adversarial, conducted at arm's length, and tempered
16 by the efforts of both sides to serve the interests of their clients.

17 42. Prior to attending mediation, Plaintiffs' Counsel thoroughly investigated the claims,
18 applicable law, and potential defenses. Plaintiffs' Counsel assessed the value to the class claims using
19 the data and documents that Defendants produced in informal discovery, including class data
20 providing the number of Class Members, the number of workweeks in the Class Period, and the
21 number of pay periods in the PAGA Period, Plaintiffs' personnel files, documents concerning
22 Plaintiffs, Employer Defendants' Employee Handbooks, written wage-and-hour policies, and
23 forms in effect during the relevant Class Period, plus a random sampling of time and payroll
24 records, that included millions of employee time entries and corresponding pay data. Plaintiffs'
25 Counsel further conducted extensive research into Defendants' corporate structure, operations, and
26 business practices.

27 43. Prior to mediation, Plaintiffs' Counsel had substantial information regarding the
28 core wage-and-hour claims, including policies, handbooks, forms, personnel records for Plaintiffs,

1 and sampled time and payroll data. For purposes of mediation, Defendants additionally provided
2 the global settlement metrics—approximately 2.3 million workweeks—so the Parties negotiated
3 the \$12 million Gross Settlement Amount with the scope of a statewide global resolution in mind.
4 After mediation, Class Counsel incorporated those claims and theories evaluated before mediation
5 and at mediation and incorporated the same into the amended LWDA notice and FAC before
6 seeking approval of the Settlement.

7 44. The Parent Entities’ records show that there are approximately 37,000 Class
8 Members, making joinder of all Class Members impracticable. Further, given the size and amount
9 of each Class Members’ claim, Class Members have little incentive to litigate their claims on an
10 individual basis because the out-of-pocket expenses and personal commitment necessary to litigate
11 each claim likely outweigh any potential recovery.

12 45. Plaintiffs have alleged that the Defendants maintained common employment
13 policies and/or practices that unlawfully deprived Class Members of wages, meal periods, rest
14 periods, reimbursements for business expenses, accurate wage statements, and timely payment of
15 wages during and upon separation of employment, among other claims. These allegations present
16 common factual and legal questions of, *inter alia*, whether Defendants applied the same
17 scheduling, timekeeping, pay, meal period, rest period, and reimbursement policies, whether some
18 employees were misclassified as salaried/exempt employees resulting in unpaid wage claims,
19 whether overtime was accurately paid, whether Defendants failed to furnish accurate wage
20 statements (including wage statements that failed to include details by displaying “DETAILS NOT
21 DISPLAYED”), whether employment records were timely produced upon request, whether
22 Defendants maintained a policy of providing unlawful disclosure and authorizations from
23 employees on background checks, whether there were unlawful inquiries into criminal
24 backgrounds, whether wages were timely paid during employment and after separation of
25 employment, whether Defendants maintained a policy of failing to pay all earned and vested
26 vacation pay upon separation of employment, failed to pay all sick pay wages (including COVID-
27 19 supplemental paid sick leave and “kin care”), and other policies and practices common to all
28 Class Members, whether these policies and practices resulted in Labor Code violations, whether

Defendants' conduct was intentional, and whether Class Members are entitled to damages and/or penalties. Given my experience, it is my opinion that these common questions could be resolved using Class Members' time records, payroll records, testimony from Defendants' designated representative(s), and Class Members' testimony.

46. Plaintiffs have alleged that they and Class Members were employed by Defendants and injured by their common wage and hour policies and practices, including Defendants' scheduling, timekeeping, pay, meal period, rest period, and reimbursement policies, which are theories that are routinely held to be proper for class certification.

47. Given the size and amount of each Class Member's claim, Class Members have little incentive to litigate their claims on an individual basis because the out-of-pocket expenses and personal commitment necessary to litigate each claim likely outweigh any potential recovery, a class action is superior to a multitude of individual lawsuits.

48. In evaluating reasonableness, Plaintiffs' Counsel did not value only the named Plaintiffs' claims. The valuation was performed against the Settlement population as a whole and release actually being presented for approval. Although the exposure Plaintiffs' Counsel calculated is substantial, the various risks at succeeding at class certification and through trial affected the valuation of the claims for settlement purposes.

49. Minimum and Overtime Wages: Plaintiffs' unpaid minimum and overtime wage claims were based on the allegation that Employer Defendants required Class Members to perform work duties while off the clock, without compensation. For example, Plaintiffs allege that Employer Defendants required them and other Class Members to arrive early and begin working before clocking in for their shifts, work during their recorded meal periods, and continue working after clocking out at the end of their shifts. For purposes of calculating Employer Defendants' liability based on a best-case scenario for Plaintiffs and the Class, Plaintiffs' Counsel assumed that all unpaid worktime should have been paid at the overtime rate of pay, as Plaintiffs' expert analysis noted that the average number of hours per shift as eight (8) and estimated that Employer Defendants are liable for 15 minutes of off-the-clock work per day (1.25 hours of unpaid worktime per workweek). This results in potential exposure for this claim of approximately \$109,212,339.60

(2,383,248 workweeks⁵ x \$24.44 average regular rate of pay x 1.25 hour/workweek x 1.5 overtime rate). Due to the likely enforceability of the arbitration agreements (which contained class action waivers), Employer Defendants' facially valid timekeeping policies prohibiting off-the-clock work, and, in any event, the support for this claim having to rely heavily on Class Member testimony that would not be evidenced in Employer Defendants' time and payroll records, the probability of succeeding at class certification and trial was quite low. Indeed, such an analysis on off-the-clock claims would likely be subject to extensive individual inquiries, making this class claim potentially subject to a further hurdle. Accordingly, given that nearly all Class Members executed arbitration agreements with class waivers, coupled with the difficulty in certifying an off-the-clock claim, Plaintiffs' Counsel applied a risk discount based on a 5% chance of certifying a class of employees (Defendants believe the chance was much lower than that) and a 30% chance of succeeding at trial on the merits if certification was obtained, yielding a realistic damage estimate of approximately \$1,638,185.09 (\$109,212,339.60 x 5% x 30%). Plaintiffs also have an additional theory of recovery based on Employer Defendants' allegedly misclassifying registered nurses as exempt employees during the Class Period. *Id.* Upon further investigation however, Plaintiffs realized that such classifications were location specific and would be subject to individualized inquiries into each specific class members' job duties and pay. Moreover, such misclassification would ultimately be an unpaid wage claim dependent on the number of hours the specific employee worked and the pay they received, rather than a wholesale policy of misclassifying all registered nurses as exempt. Accordingly, given the existence of arbitration agreements, the likelihood that this claim would require individualized inquiries into specific job duties, and the low probability of prevailing at trial, Plaintiffs' Counsel assigned a risk-adjusted \$100,000 to this theory.

50. Meal Periods: Plaintiffs' meal period claim is based on the allegation that Employer Defendants failed to provide Class Members with legally compliant meal periods or pay meal

⁵ At the time of mediation, Defendants estimated there were 2,383,248 Workweeks during the Class Period. Settlement Agreement § 8.

period premiums in lieu thereof. For example, Plaintiffs alleged that Employer Defendants required them and other Class Members to work during their recorded meal periods, and further allege that Employer Defendants require Class Members to remain on premises during meal periods, require execution of unlawful on-duty meal period agreements, automatically deduct meal periods from recorded hours worked, and edit time records to make it appear that timely, compliant meal periods have been taken when they have not. Plaintiffs' Counsel's expert consultant determined there was an 11% meal period violation rate (for shifts greater than 5 hours that were potentially waivable) from the sampling of time and payroll records, where meal periods were short, late, or missed. If the prospective meal period waivers are enforceable, however (which appears likely, based on the language of the waivers), the violation rate drops to 7.8%, reflecting only shifts exceeding six hours. For purposes of calculating maximum potential exposure, Plaintiffs' Counsel nevertheless applied the higher 11% violation rate, resulting in potential maximum exposure of approximately \$25,553,951.74 (9,505,264 shifts over 5 hours x \$24.44 average regular rate of pay x 11% violation rate). After taking into account the likely enforceability of the arbitration agreements (which contain class action waivers), the 7.8% lower percentage for unwaivable breaks, the difficulty of certifying and proving meal period claims, as well as Employer Defendants' contentions that there were valid on-duty meal period agreements and enforceable meal period waivers, Plaintiffs' Counsel discounted this figure based on at most a 5% chance of succeeding at class certification and a slightly higher 50% chance of succeeding at trial given the facial violations, yielding a realistic damage estimate of approximately \$638,848.79 ($\$25,553,951.74 \times 5\% \times 50\%$)

51. Rest Periods: Plaintiffs' rest period claims are based on the allegation that Employer Defendants failed to provide Class Members with legally compliant rest periods (including but not limited to by requiring Class Members to remain on premises during rest breaks) or pay rest period premiums in lieu thereof at the proper rate. For example, Plaintiffs allege that Employer Defendants failed to provide Plaintiffs and other Class Members with any rest periods as Employer Defendants' policies did not allow employees to leave the premises without prior authorization from a supervisor at least until September 1, 2021. Plaintiffs' Counsel assumed a 30% violation rate (Defendants argue it is much lower, even less than 5%) to all qualifying shifts during the Class

1 Period. Therefore, Employer Defendants' potential liability for the rest period claim is
2 approximately \$71,925,893.52 (9,809,860 shifts of 3.5 hours or longer x \$24.44 average regular
3 rate of pay x 30% violation rate). However, Plaintiffs' Counsel discounted this figure to account
4 for the difficulty of certifying and proving rest period claims, particularly because rest periods do
5 not have to be recorded, there was no written evidence of any widespread practice of prohibiting
6 Class Members from leaving premises (whether in witness testimony or otherwise) and to account
7 for the possibility of Class Members voluntarily choosing to forego a rest period. Due to the likely
8 enforceability of the arbitration agreements (which contain class action waivers) and because this
9 claim would have relied exclusively on Class Member testimony, Plaintiffs' Counsel discounted
10 this claim based on a 5% chance of succeeding at class certification and a 25% chance of
11 succeeding at trial, yielding a realistic damage estimate of approximately \$899,073.67
12 (\$71,925,893.52 x 5% x 25%).

13 52. In sum, given the estimated 5% chance of succeeding at the certification stage given
14 the arbitration agreements, Plaintiffs' Counsel estimated that the maximum class wide recovery
15 for the claims for unpaid minimum wages/OT, misclassification, meal period violations, and rest
16 period violations (i.e., the wage claims) was approximately an absolute maximum of
17 \$10,339,609.24 (\$206,792,184.86 x 5%). However, after factoring in the risk and uncertainty of
18 prevailing at trial, Plaintiffs' Counsel estimates that Plaintiffs' realistic, estimated recovery for
19 these non-penalty wage claims is approximately \$3,276,107.56 (\$1,638,185.09 on overtime claims
20 + \$100,000 on misclassification claims + \$638,848.79 on meal period claims + \$899,073.67 on
21 rest break claims)

22 53. Reimbursements: Plaintiffs' reimbursement claim is based on the allegation that
23 Employer Defendants failed to indemnify Class Members for expenses incurred as a direct result
24 of performing their job duties, such as mandatory use of personal cell phones for work purposes
25 and requiring them to purchase and launder scrubs to be worn at work. For purposes of calculating
26 Employer Defendants' liability based on a best-case scenario for Plaintiffs and the Class, Plaintiffs'
27 Counsel estimated that Employer Defendants were liable to each Class Member for \$40.00 per
28 month, or \$10 per workweek, in unreimbursed expenses, for a total amount of approximately

1 \$23,832,480 (\$10 x 2,383,248 workweeks). However, the arbitration agreements (which contain
2 class action waivers) are likely enforceable. Additionally, Defendants argue that these expenses
3 were not required and that Employer Defendants could not have known that these expenses were
4 being incurred. Accordingly, Plaintiffs' Counsel discounted this claim based on a 5% chance of
5 succeeding at class certification and a 25% chance of succeeding at trial, yielding a realistic
6 damage estimate of approximately \$297,906 (\$23,832,480 x 5% x 25%).

7 54. Employment Records: Plaintiffs' employment records claim is based on the
8 allegation that Employer Defendants failed to timely produce requested employment records to
9 Class Members. At the time of mediation, Employer Defendants estimated there were
10 approximately 37,000 employees in the Class. Plaintiffs allege that after receiving records requests
11 for personnel and pay records under Labor Code §§ 226 and 1198.5, Employer Defendants failed
12 to timely produce pay records within 21 days of receipt of the request for pay records or within 30
13 days of receipt of the request for payroll records. For each violation of these statutes, there is a
14 \$750 statutory penalty (or a total of \$1,500 for violation of both). Based on Plaintiffs' allegations
15 as to Plaintiffs' and other Class Members' experience working for Employer Defendants,
16 Plaintiffs' Counsel applied a 20% violation rate (Defendants argue it is much lower, and further
17 highly burdensome to prove or subject to individualized inquiries) to all employees during the
18 Class Period. Moreover, the arbitration agreements (which contain class action waivers) are likely
19 enforceable. Accordingly, Plaintiffs' Counsel discounted this claim based on a 5% chance of
20 succeeding at class certification and a 30% chance of succeeding at trial. Therefore, a realistic
21 damage estimate of Employer Defendants' potential liability for the employment records claim is
22 approximately \$166,500 (37,000 Class Members x \$1,500 statutory penalties x 20% x 5% x 30%).

23 55. Unlawful Inquiries: Plaintiffs allege that Employer Defendants included unlawful
24 inquiries into prospective employees' criminal histories as part of their application process prior
25 to a job offer, in violation of California's Fair Chance Act. The Fair Chance Act generally makes
26 it against the law for employer to ask about or consider a job seeker's conviction history before
27 offering them a job. Cal. Gov. § 12952. Plaintiffs allege that Employer Defendants asked about
28 criminal histories prior to a job offer, in violation of the Fair Chance Act. By statute, if an employer

1 improperly obtains or uses criminal history information, an applicant can bring an action to recover
2 actual damages or \$200, whichever is greater. *See* Labor Code § 432.7 [“Ban-the-Box”]. Based on
3 Plaintiffs’ allegations as to Plaintiffs’ and other Class Members’ experience working for Employer
4 Defendants, Plaintiffs’ Counsel applied a 50% violation rate given that Plaintiffs argue such
5 inquiries were part of the employment application process, but that not all applications had such
6 inquiries. Employer Defendants argue the violation rate is far lower and further highly burdensome
7 to prove, subject to individualized inquiries, or that most applications, if not all, had previously
8 removed such inquiries. Moreover, the arbitration agreements (which contain class action waivers)
9 are likely enforceable. Accordingly, Plaintiffs’ Counsel discounted this claim based on a 5%
10 chance of succeeding at class certification and a 50% chance of succeeding at trial, yielding a
11 realistic damage estimate of approximately Therefore, Employer Defendants’ potential liability for
12 the unlawful inquiries claim under Labor Code § 432.7 is approximately \$92,500.00 (37,000 Class
13 Members x 50% x \$200 statutory penalties x 5% x 50%).

14 56. Derivative Penalties: Plaintiffs alleged that as a result of Defendants’ failure to pay
15 all wages owed, Defendants owed waiting time penalties and wage statement penalties. Employer
16 Defendants’ maximum potential liability for waiting time penalties is approximately
17 \$161,661,801.60 (27,561 employees x \$24.44 average hourly rate of pay x 8.00 hours/day x 30
18 days) based on approximately 27,561 formerly employed Class Members during the 3-year statute
19 of limitations period and an average shift length of 8 hours. Employer Defendants’ maximum
20 potential liability for inaccurate wage statements is approximately \$62,276,800 ([23,908
21 employees during the 1-year statute of limitations period x 1 initial violation/employee x \$50 for
22 an initial violation (or \$1,195,400)] + [(634,722 total pay periods during the 1-year statute of
23 limitations period – 23,908 initial violations) x \$100 for each subsequent violation (or
24 \$61,081,400)]) based on approximately 23,908 Class Members who worked during the 1-year
25 statute of limitations period and approximately 634,722 pay periods in that statutory timeframe.⁶

26
27
28 ⁶ Section 226(e)(1) caps statutory damages at \$4,000 per employee. The foregoing
aggregate calculation does not apply that employee-level cap and therefore represents an
uncapped theoretical exposure.

1 In light of the foregoing, Plaintiffs' Counsel believes that it would be unrealistic to expect the
2 Court to award anywhere even remotely near the full \$223,938,601.60 in statutory penalties given
3 Employer Defendants' defenses, the contested nature of Plaintiffs' claims (including a relatively
4 low 11% overall meal period violation rate and just 7.8% for unwaivable shifts, for example), the
5 difficulty in establishing off-the-clock claims and rest period claims, the challenges of establishing
6 willfulness as applicable, and the discretionary nature of penalties. Considering that the underlying
7 wage claims are realistically estimated to be approximately \$3,276,107.56, such a disproportionate
8 award could very well also raise due process concerns. As such, Plaintiffs' Counsel discounted
9 these figures to account for the risk and uncertainty of obtaining class certification (especially
10 given the likely enforceability of the arbitration agreements which contained class waivers) and
11 prevailing at trial, resulting in a realistic evaluation of approximately \$2,424,927.02 for waiting
12 time penalty claims ($\$161,661,801.60 \times 5\% \times 30\%$), and approximately \$934,152 for wage
13 statement penalty claims ($\$62,276,800 \times 5\% \times 30\%$), or approximately \$3,360,585.02 total for
14 statutory penalties.

15 57. PAGA: For the PAGA claim, Plaintiffs' Counsel determined that Defendants'
16 potential exposure could potentially reach a non-stacked maximum of \$89,863,600.00, assuming
17 the initial \$100 penalty would apply for each of the 898,636 pay periods in the PAGA Period.⁷
18 However, even assuming success on the merits of each claim, PAGA gives the Court discretion to
19 reduce penalties for a variety of reasons and to find the case manageable, including where to do
20 otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory. As
21 such, Plaintiffs' Counsel discounted this figure to account for the risk and uncertainty of prevailing
22 at trial as well as the Court awarding less than the \$100 penalty, resulting in a realistic evaluation
23
24

25 ⁷ The \$200 subsequent violation penalty is not applied in this analysis as Defendants were
26 not formally apprised that their practices were unlawful as to all of the named Defendants until the
27 amended PAGA Notice letter filed on June 1, 2026 (which is after the date of settlement). *See*
28 Labor Code § 2699(f)(2). For settlement-valuation purposes, Plaintiffs' Counsel did not stack
separate penalties merely because the same type of alleged violation implicated multiple statutory
provisions. *See e.g., Snow v. United Parcel Service, Inc.*, 2020 WL 1638250, at *3-4 (C.D. Cal.
2020). Instead, Plaintiffs' Counsel used the non-stacked benchmark described above, while
separately considering the additional predicate theories as discussed in the text.

of approximately \$4,493,180 for PAGA penalties (\$89,863,600.00 x 5%). The settlement allocates \$750,000.00 of the Gross Settlement Amount to PAGA, therefore the PAGA allocation amounts to 6.3% of the Gross Settlement Amount and approximately 16.7% of the realistic maximum damages for PAGA penalties (\$750,000.00 / \$4,493,180). Based on the figures in the Settlement Agreement, the 25% of PAGA Penalties available to Aggrieved Employees will be divided among an estimated 29,000 Aggrieved Employees resulting in each Aggrieved Employee receiving an average net benefit of approximately \$6.47. Based on these current estimates, the lowest estimated individual PAGA payment could be \$0.23 (\$0.23 x 1 pay period) and the highest estimated individual PAGA payment could be \$52.67 (\$0.23 x approximately 229 pay periods in the PAGA Period). The \$750,000 PAGA allocation should also be evaluated in light of the predicate violations being released. Counsel then discounted those theories based on the evidence supporting each category, the extent to which each theory was derivative of the core wage-and-hour claims, the likely enforceability of arbitration agreements and class waivers, the Court's discretion to reduce PAGA penalties, manageability concerns, and the risk that penalties approaching the theoretical maximum would be viewed as disproportionate.

58. FCRA and ICRAA: Plaintiffs alleged that Employer obtained and used information in consumer reports to conduct background checks from employees which failed to comply with the requirements of the FCRA and ICRAA, by including superfluous information within the disclosure that referred and/or included various state disclosures in violation of *Gilberg v. California Check Cashing Stores, LLC*, 913 F.3d 1169, 1171 (C.A. (Cal.) 2019) ["Consistent with *Syed*, we now hold that a prospective employer violates FCRA'S standalone document requirement by including extraneous information relating to various state law disclosure requirements in that disclosure."] Plaintiffs alleged that Defendants' liability for the FCRA claim is \$37,000,000.00 (37,000 Class Members x 1 violation per Class Member x \$1,000.00 maximum statutory damages) based on a presumption of one (1) violation per Class Member. However, under current law, a plaintiff who shows that a defendant is only "negligent in failing to comply" with the FRCA may recover only actual damages. (*Patterson v. Wells Fargo & Company* 2026 WL 1382199 (9th Cir. 2026). Moreover, Defendants argue that proving actual damage would likely

1 require individualized inquiries into what specific Class Members' damages are. Plaintiffs however
2 argue that Defendants' inclusion of references to other state laws and rights makes the violation
3 willful. *Gilberg*, 913 F.3d at 1175; *See Snell v. G4S Secure Solutions (USA), Inc.*, 424 F.Supp.3d
4 892 (E.D. Cal. 2019). Nevertheless, due to the likely enforceability of the arbitration agreements
5 (which contain class action waivers), the likelihood that some compliant disclosures were used,
6 and unlikelihood of a Court awarding the maximum penalty of \$1,000.00 per violation rather than
7 the more likely minimum penalty of \$100.00 per violation, Plaintiffs' Counsel discounted these
8 figures to account for the risk and uncertainty of obtaining class certification and thereafter
9 prevailing at trial, resulting in a realistic evaluation of approximately \$370,000.00 for violation of
10 the FCRA (\$37,000,000.00 x 5% x 20%). On the other hand, under the ICRAA, section
11 1786.50(a)(1) makes clear that an investigative reporting agency or user of information that fails
12 to comply with any requirement under the ICRAA is only liable for actual damages, or \$10,000
13 (except for class actions), whichever is greater. *Id.*; *see also* Civil Code § 1786.50. Accordingly,
14 as this is a class action, only actual damages are available. *Id.* However, as stated above, proving
15 actual damages would be very difficult on a class basis, which almost certainly would require
16 individualized inquiries where some employees may suffer much higher damages than others,
17 while some may suffer no damages at all aside from a privacy violation. Notwithstanding,
18 assuming that Plaintiffs could establish actual damages, Plaintiffs' Counsel applied a \$100 penalty
19 in actual damages per violation of the ICRAA as actual damages resulting in \$3,700,000.00.
20 However, Plaintiffs' Counsel discounted these figures to account for the risk and uncertainty of
21 obtaining class certification and thereafter prevailing at trial, resulting in a realistic evaluation of
22 approximately \$370,000.00 as well.

23 59. Using these estimated figures, Plaintiffs' Counsel predicted that the realistic
24 maximum recovery for all claims, including penalties, would be approximately \$12,425,272.57 as
25 reflected in the following chart:

Claim	Realistic Maximum Recovery
Unpaid Min/OT Wages	\$1,638,185.09

Claim	Realistic Maximum Recovery
Misclassification	\$100,000.00
Meal Period Violations	\$638,848.79
Rest Break Violations	\$899,073.67
Reimbursement	\$297,906.00
Failure to Produce Employment Records	\$166,500.00
Unlawful Inquiries	\$92,500.00
Waiting Time Penalties	\$2,424,927.02
Wage Statement Penalties	\$934,152.00
FCRA Penalties	\$370,000.00
ICRAA Penalties	\$370,000.00
PAGA Penalties	\$4,493,180.00
TOTAL	\$12,425,272.57

60. *This means that the \$12 million gross settlement figure represents approximately 96.6% of the realistic maximum recovery (\$12,000,000.00 / \$12,425,272.57).* Considering the risk and uncertainty of prevailing at class certification and at trial, I respectfully believe this is an excellent result for the Class. Indeed, because of the proposed Settlement, Class Members will receive timely, guaranteed relief and will avoid the risk of an unfavorable judgment.

61. Based on the figures in the Settlement Agreement, the Net Settlement Amount available for class settlement payments is currently estimated to be \$6,926,500.00 for approximately 37,000 Class Members. As a result, each Settlement Class Member would be eligible to receive an average net benefit of approximately \$187.20. Based on the estimated Net Settlement Amount available for individual class payments and there being approximately 2,383,248 workweeks in the Class Period as estimated at the time of mediation, the estimated weekly valuation for Individual Class Payments is \$2.91 (\$6,926,500.00 / 2,383,248 workweeks). *Id.* Based on these current estimates, the lowest estimated individual class payment could be \$2.91

1 (\$2.91 x 1 week) and the highest estimated individual class payment could be \$1,038.87 (\$2.91 x
2 approximately 357 weeks in the Class Period).

3 **Plaintiffs' Counsel's Qualifications**

4 62. Plaintiffs are represented by WLF. The attorneys at WLF performed significant work
5 and expended litigation costs in prosecuting this matter with no guarantee of payment.

6 63. WLF was selected by Best Lawyers and U.S. News & World Report as one of the
7 nation's Best Law Firms since 2020 and is comprised of more than 100 attorneys and over 600
8 employees. WLF is actively and continuously practicing in employment litigation, representing
9 employees in both individual and class actions in both state and federal courts throughout California.

10 64. WLF is qualified to handle this Litigation because its attorneys are experienced in
11 litigating Labor Code violations in individual, class action, and representative action cases. WLF
12 has handled, and is currently handling, numerous wage and hour class action lawsuits, as well as
13 class actions involving consumer rights and data privacy litigation.

14 65. I graduated from the University of California, Santa Barbara with High Honors in
15 1991 with Bachelor of Arts degrees in Psychology. I received my Juris Doctor from UCLA Law
16 School in 1996.

17 66. Upon graduating from law school in 1996, I worked for a boutique law firm practicing
18 general litigation which included employment law matters. Since 2000 (that is, the last 25 years) my
19 practice has been exclusively focused on labor and employment matters including handling wage
20 and hour class, collective and representative actions (including the California Private Attorneys
21 General Act, or "PAGA"), including in the international law firms of Morgan, Lewis & Bockius LLP
22 (where I was a senior associate), Foley & Lardner LLP (where I was a partner and a national Vice
23 Chair of the Labor and Employment Group), Norton Rose Fulbright LLP (where I was a partner) and
24 Seyfarth Shaw LLP (where I was a partner and member of the Wage and Hour Practice Group).
25 During my time at these law firms, I was the primary attorney or took a major leading role in
26 defending employers on numerous wage and hour class, collective and representative actions.

27 67. In late June 2022 I left Seyfarth Shaw LLP and joined my current firm, Wilshire Law
28 Firm, PLC, to represent plaintiff employees. I have been and am handling many wage and hour class

1 and representative actions litigating such matters on behalf of plaintiff employees in numerous
2 Superior Courts and District Courts. From matters representing both plaintiffs and defendants, I have
3 successfully mediated the resolution of many wage and hour class, collective, and representative
4 actions. Just since starting to settle cases in late April 2023 I have already successfully mediated
5 matters in which I have been counsel or co-counsel resulting in **well over \$280 million** in settlements
6 and verdicts which are in the process of being finalized, and with numerous upcoming mediations
7 scheduled. In those and numerous other matters, I have managed and assisted with the litigation and
8 settlement of many wage and hour PAGA and class actions. In those actions, I performed similar
9 tasks as those performed in the course of prosecuting this action. Indeed, I recently tried and prevailed
10 in achieving a jury verdict in a certified wage and hour class action in the matter of *Aguilar-Flores*
11 *v. Javier's – CC LLC*, Los Angeles County Superior Court, Case No. 19STCV36438 (settled after
12 verdict).

13 68. I have received numerous awards for my legal work. For example, from 2015 to 2018,
14 I was listed in Los Angeles Super Lawyers for Employment Litigation (Thomson Reuters). I have
15 also served on numerous prominent boards and in other leadership positions, including serving as
16 Southern California Regional President for the Hispanic National Bar Association and on the board
17 of directors of the Mexican American Bar Foundation. I also previously served on the 5-member Los
18 Angeles Civil Service Commission, which generally oversees the personnel decisions for the City of
19 Los Angeles.

20 69. I have also published numerous blogs on labor and employment issues including on
21 wage and hour issues. For example, I published “Headline News: Wal-Mart v. Dukes-Impact on
22 Class Action Litigation” (while a partner with Foley & Lardner LLP) and “Are You Really Protected
23 From Wage-and-Hour Successor Liability in an Asset Purchase” (while a partner with Seyfarth Shaw
24 LLP). I have also been a presenter at numerous conferences, including being a presenter involving
25 the “Employment Law Update” at a National Employment Law Council conference.

26 70. A non-exhaustive list of examples of the cases where I have been appointed as class
27 counsel while at WLF is as follows:
28

- a. *Simpson v. Arcos De Oro, Inc.*, Riverside County Superior Court, Case No. CVRI2303337; Motion for Final Approval granted on April 15, 2025.
- b. *De La Cruz v. Citrus Valley Management Services, Inc.*, Riverside County Superior Court, Case No. CVRI2301768; Motion for Final Approval granted on April 22, 2025.
- c. *Garcia v. 1st Commercial Realty Group, Inc.*, San Bernardino County Superior Court, Case No. CIVSB2226900; Motion for Final Approval granted on May 14, 2025.
- d. *Torres v. Homeshield Pest Control Incorporated*, Placer County Superior Court, Case No. S-CV-0049525; Motion for Final Approval granted on May 15, 2025.
- e. *Pelayo v. Nations Roof West, Fresno County Superior Court, Case No. 23CECG01236*; Motion for Final Approval granted on August 19, 2025.
- f. *Lockhart v. Habitat for Humanity of Sonoma County, et al.*, Sonoma County Superior Court, Case No. SCV-273164; Motion for Final Approval granted on September 10, 2025.
- g. *Keith, et al. v. MSWest Enterprises*, San Joaquin County Superior Court, Case No. STK-CV-UOE-2023-1865; Motion for Final Approval granted on September 23, 2025.
- h. *Granados v. Sunny Hills Management Co., Inc.*, Los Angeles County Superior Court, Case No. 23STCV02109; Motion for Final Approval granted on September 24, 2025.
- i. *Rojas v. Amgen, Inc.*, Ventura County Superior Court, Case No. 2024CUOE025580; Motion for Final Approval granted on October 23, 2025.
- j. *Perez v. Carswell Group Inc.*, Stanislaus County Superior Court, Case No. CV-23-007642; Motion for Final Approval granted on November 4, 2025.
- k. *Alvarez, et al. v. Amarok LLC*, Sacramento County Superior Court, Case No. 24CV008395; Motion for Final Approval granted on November 14, 2025.

1. *Moses v. CVAC, Inc., et al.*, Monterey County Superior Court, Case No. 23CV001337; Motion for Final Approval granted on November 14, 2025.
- m. *Lewis, et al. v. ADT Solar LLC, et al.*, San Bernardino County Superior Court, Case No. CIVSB2317667; Motion for Final Approval granted on December 11, 2025.
- n. *Albeetar v. Coolsys Light Commercial Solutions, LLC, et al.*, Alameda County Superior Court, Case No. 23CV057110; Motion for Final Approval granted on December 17, 2025.
- o. *Elder Care Alliance and Almavia Wage and Hour cases*, Alameda County Superior Court, Case No. RG21090600; Motion for Final Approval granted on December 29, 2025.
- p. *Guttenbeil v. Kamla Hotels, Inc.*, Los Angeles County Superior Court, Case No. 23STCV31249; Motion for Final Approval granted on January 6, 2026.
- q. *Lara, et al. v. 3360 Magnolia Ave, Inc., et al.*, Los Angeles County Superior Court, Case No. 24STCV05190; Motion for Final Approval granted on January 14, 2026.
- r. *Haynes v. STT Security Services Inc.*, Alameda County Superior Court, Case No. 23CV057497; Motion for Final Approval granted on March 30, 2026.
- s. *Sandoval, et al. v. The Nephrology Group, Inc.*, Kern County Superior Court, Case No. BCV-23-102097; Motion for Final Approval granted on April 1, 2026.
- t. *Cruz v. Ramona Care, Inc., et al.*, Los Angeles County Superior Court, Case No. 22STCV33167; Motion for Final Approval granted on April 21, 2026.
- u. *Ramirez-Pacheco v. Brophy Bros., Inc., et al.*, Ventura County Superior Court, Case No. 2024CUOE021291; Motion for Final Approval granted on April 28, 2026.
- v. *Garcia v. Compassionate Heart Senior Care, Inc.*, Orange County Superior Court, Case No. 30-2022-01294409-CU-OE-CXC; Motion for Final Approval granted on May 5, 2025.

- w. *Aragon, et al. v. San Diego Free Ride, LLC, et al.*, San Diego County Superior Court, Case No. 37-2023-00044086-CU-OE-CTL; Motion for Final Approval granted on February 20, 2026.
- x. *Sanger v. Southern California Veterinary Center, Inc.*, Riverside County Superior Court, Case No. CVRI2306412; Motion for Final Approval granted on May 26, 2026.
- y. *Ansis, et al., v. Aloha Residential Care Facility, Inc.*, Alameda County Superior Court, Case Nos. 24CV069658 and 24CV088968; Motion for Final Approval granted on May 27, 2026.
- z. *Beaty, et al. v. Homer T. Hayward Lumber Co., et al.*, Santa Barbara County Superior Court, Case No. 22CV04267; Motion for Final Approval granted on May 27, 2026.
- aa. *Chavarria v. Soares Automotive, Inc.*, San Bernardino County Superior Court, Case No. CIVSB2319781; Motion for Final Approval granted on June 9, 2026.
- bb. *Pereira v. Weststar Property Management, Inc.*, Los Angeles County Superior Court, Case No. 24STCV26951; Motion for Final Approval granted on June 16, 2026.
- cc. *Barrios, et al. v. Tri-State Community Healthcare Center*, Los Angeles County Superior Court, Case No. 24STCV28332; Motion for Final Approval granted on June 22, 2026.
- dd. *Soto, et al. v. Espinoza Brothers Food Distribution, Inc., et al.*, Fresno County Superior Court, Case No. 22CECG03830; Motion for Final Approval granted on June 23, 2026.
- ee. *Stevens v. Delray Tire & Retreading, Inc.*, Fresno County Superior Court, Case No. 23CECG02097; Motion for Final Approval granted on June 25, 2026.
- ff. *Flores Flores v. Pacific Green Landscape, Inc.*, San Deigo County Superior Court, Case No. 37-2023-00054631-CU-OE-CTL; Motion for Final Approval granted on June 26, 2026.

1 gg. *Ramos v. Cutlet Beverly Hills, L.P.*, Los Angeles County Superior Court, Case
2 No. 24STCV10878; Motion for Final Approval granted on June 30, 2026.
3 hh. *Scott v. Eden Housing Management, Inc.*, Monterey County Superior Court, Case
4 No. 24CV000380; Motion for Final Approval granted on June 30, 2026.
5 ii. *Margaritis v. AAA Oil, Inc.*, Orange County Superior Court, Case No. 30-2024-
6 01383304-CU-OE-CXC; Motion for Final Approval granted on July 2, 2026.
7 jj. *Acosta v. La Playa Hotel Group, LLC, et al.*, Monterey County Superior Court,
8 Case No. 25CV003941; Motion for Final Approval granted on July 10, 2026.
9 kk. *Stein, et al v. Alternative Therapeutics Solutions, Inc., et al.*, Los Angeles County
10 Superior Court, Case No. 23STCV07216; Motion for Final Approval granted on
11 July 10, 2026.
12 ll. *Deardorff v. Tutor Partners LLC*, Los Angeles County Superior Court, Case No.
13 24STCV13693; Motion for Final Approval granted on July 15, 2026.
14 mm. *Smith v. San Diego Country Estates Association*, San Diego County
15 Superior Court, Case No. 37-2024-00025729-CU-OE-CTL; Motion for Final
16 Approval granted on July 16, 2026.
17 nn. *Lalezarian, et al. v. Homak Enterprises, Inc., et al.*, Los Angeles County Superior
18 Court, Case No. 24STCV06524; Motion for Final Approval granted on July 16,
19 2026.
20 oo. *Doepken v. North Ridge Country Club*, Sacramento County Superior Court, Case
21 No. 23CV005710; Motion for Final Approval granted on July 17, 2026.
22 pp. *Rodriguez v. Frank C. Alegre Trucking, Inc.*, San Joaquin County Superior Court,
23 Case No. STK-CV-UOE-2024-5249; Motion for Final Approval granted on July
24 22, 2026.
25 qq. *Medina v. 24 Hour Fitness USA, LLC*, Alameda County Superior Court, Case No.
26 24CV089740, Motion for Final Approval granted on July 23, 2026.
27
28

1 rr. *Sampson v. Letter Ride, LLC*, San Diego County Superior Court, Case No. 37-
2 2023-00051773-CU-OE-CTL; Motion for Final Approval granted on July 24,
3 2026.

4 ss. *Aguilera v. Rent Time*, San Diego County Superior Court, Case No. 37-2024-
5 00014462-CU-OE-CTL; Motion for Final Approval granted on July 31, 2026.

6 tt. *Reinke, et al. v. MGE Underground, Inc.*, Santa Clara County Superior Court,
7 Case No. 22CV403855; Motion for Final Approval granted on August 10, 2026.

8 71. Diego Aviles is a Junior Partner at WLF. Mr. Aviles graduated from the
9 University of California, Irvine, with a Bachelor of Arts in Political Science as well as a
10 Bachelor of Arts in Criminology, Law, and Society, and received his Juris Doctor from the Santa
11 Clara University School of Law in 2015. During law school, Mr. Aviles was President for the
12 Santa Clara Employment Law Society, Board Member of the Honors Moot Court, and President
13 of the Santa Clara University La Raza Chapter. He clerked for the Equal Employment
14 Opportunity Commission in San Francisco, California, and also worked with the Workers'
15 Rights Clinic in San Jose, California, among other employment law firms. He was admitted to
16 practice law in the State of California in 2017. Since graduating from law school, he has focused
17 his legal work exclusively on employment matters, including wage-and-hour class action and
18 PAGA representative action litigation, and he has helped obtain dozens of settlements on behalf
19 California workers. He has been appointed Class Counsel numerous times in California and
20 most recently achieved a published California Appellate opinion in the matter of *Alberto v.*
21 *Cambrian Homecare, et al.*, 91 Cal.App.5th 482 regarding employment arbitration agreements.
22 He has also been a member of the California Employment Lawyers Association (CELA) since
23 at least 2019. A non-exhaustive list of the cases where Mr. Aviles has been appointed as class
24 counsel while at WLF is as follows:

25 a. *Simpson v. Arcos De Oro, Inc.*, Riverside County Superior Court, Case No.
26 CVRI2303337; Motion for Final Approval granted on April 15, 2025.

- b. *De La Cruz v. Citrus Valley Management Services, Inc.*, Riverside County Superior Court, Case No. CVRI2301768; Motion for Final Approval granted on April 22, 2025.
- c. *Garcia v. 1st Commercial Realty Group, Inc.*, San Bernardino County Superior Court, Case No. CIVSB2226900; Motion for Final Approval granted on May 14, 2025.
- d. *Torres v. Homeshield Pest Control Incorporated*, Placer County Superior Court, Case No. S-CV-0049525; Motion for Final Approval granted on May 15, 2025.
- e. *Pelayo v. Nations Roof West*, Fresno County Superior Court, Case No. 23CECG01236; Motion for Final Approval granted on August 19, 2025.
- f. *Lockhart v. Habitat for Humanity of Sonoma County, et al.*, Sonoma County Superior Court, Case No. SCV-273164; Motion for Final Approval granted on September 10, 2025.
- g. *Keith, et al. v. MSWest Enterprises*, San Joaquin County Superior Court, Case No. STK-CV-UOE-2023-1865; Motion for Final Approval granted on September 23, 2025.
- h. *Granados v. Sunny Hills Management Co., Inc.*, Los Angeles County Superior Court, Case No. 23STCV02109; Motion for Final Approval granted on September 24, 2025.
- i. *Moses v. CVAC, Inc., et al.*, Monterey County Superior Court, Case No. 23CV001337; Motion for Final Approval granted on November 14, 2025.
- j. *Lewis, et al. v. ADT Solar LLC, et al.*, San Bernardino County Superior Court, Case No. CIVSB2317667; Motion for Final Approval granted on December 11, 2025.
- k. *Albeetar v. Coolsys Light Commercial Solutions, LLC, et al.*, Alameda County Superior Court, Case No. 23CV057110; Motion for Final Approval granted on December 17, 2025.

1. *Guttenbeil v. Kamla Hotels, Inc.*, Los Angeles County Superior Court, Case No. 23STCV31249; Motion for Final Approval granted on January 6, 2026.
- m. *Aragon, et al. v. San Diego Free Ride, LLC, et al.*, San Diego County Superior Court, Case No. 37-2023-00044086-CU-OE-CTL; Motion for Final Approval granted on February 20, 2026.
- n. *Haynes v. STT Security Services Inc.*, Alameda County Superior Court, Case No. 23CV057497; Motion for Final Approval granted on March 30, 2026.
- o. *Cruz v. Ramona Care, Inc., et al.*, Los Angeles County Superior Court, Case No. 22STCV33167; Motion for Final Approval granted on April 21, 2026.
- p. *Sanger v. Southern California Veterinary Center, Inc.*, Riverside County Superior Court, Case No. CVRI2306412; Motion for Final Approval granted on May 26, 2026.
- q. *Soto, et al. v. Espinoza Brothers Food Distribution, Inc., et al.*, Fresno County Superior Court, Case No. 22CECG03830; Motion for Final Approval granted on June 23, 2026.
- r. *Stevens v. Delray Tire & Retreading, Inc.*, Fresno County Superior Court, Case No. 23CECG02097; Motion for Final Approval granted on June 25, 2026.
- s. *Scott v. Eden Housing Management, Inc.*, Monterey County Superior Court, Case No. 24CV000380; Motion for Final Approval granted on June 30, 2026.
- t. *Doepken v. North Ridge Country Club*, Sacramento County Superior Court, Case No. 23CV005710; Motion for Final Approval granted on July 17, 2026.
- u. *Sampson v. Letter Ride, LLC*, San Diego County Superior Court, Case No. 37-2023-00051773-CU-OE-CTL; Motion for Final Approval granted on July 24, 2026.
- v. *Aguilera v. Rent Time*, San Diego County Superior Court, Case No. 37-2024-00014462-CU-OE-CTL; Motion for Final Approval granted on July 31, 2026.
72. Mariam Nazaretyan is an Associate Attorney at WLF. She was admitted to practice law in the State of California in 2021. Ms. Nazaretyan graduated from Loyola Marymount

1 University with a Bachelor of Arts in Political Science. She received her Juris Doctor from
2 Southwestern Law School. During law school, she was a student editor for the Journal of
3 International Media and Entertainment Law and secretary of the Student Bar Association. Since
4 graduating, Ms. Nazaretyan's practice has been focused on international humanitarian law and
5 employment law.

6 73. Harry Erganyan is an Associate Attorney at WLF. He was admitted to practice law
7 in the State of California in 2021. Mr. Erganyan graduated from Loyola Marymount University,
8 with a Bachelor of Arts in Political Science. He received his Juris Doctor from Southwestern Law
9 School. During law school, he externed for the Los Angeles City Attorney. Since January 2021,
10 Mr. Erganyan's practice has been focused on wage and hour class action litigation.

11 74. Jeffrey C. Bils is a Junior Partner at WLF. He graduated from the University of
12 Wisconsin–Madison with a Bachelor of Arts in Journalism and German, and received his Juris
13 Doctor from the University of California, Los Angeles School of Law in 2014. During law school,
14 he was a Senior Editor on the UCLA Law Review and an Articles Editor on the Entertainment
15 Law Review. Mr. Bils served as a Judicial Extern for the Hon. Consuelo Bland Marshall in
16 United States District Court for the Central District of California, and also for the Hon. Sandra
17 R. Klein of United States Bankruptcy Court for the Central District of California. Mr. Bils
18 graduated ranked No. 7 in his graduating class from UCLA School of Law. He was admitted to
19 practice law in the State of California in 2014. Since graduating from law school, he has focused
20 his legal work primarily on employment matters, including wage-and-hour class action and
21 PAGA representative action litigation, and he has helped obtain dozens of settlements on behalf
22 California workers, as well as on behalf of California employers during his years on the defense
23 bar. Mr. Bils is a member of the Beverly Hills Bar Association (BHBA), where he is a past
24 member of the Board of Governors and a past Chair of the Labor & Employment Law Section
25 Executive Committee. He is also a member of the California Employment Lawyers Association
26 (CELA) and the Consumer Attorneys Association of Los Angeles (CAALA). A non-exhaustive
27 list of the cases where Mr. Bils has been appointed as class counsel while at WLF is as follows:
28

- a. *Garcia v. Compassionate Heart Senior Care, Inc.*, Orange County Superior Court, Case No. 30-2022-01294409-CU-OE-CXC; Motion for Final Approval granted on May 5, 2025.
- b. *Elder Care Alliance and Almavia Wage and Hour cases*, Alameda County Superior Court, Case No. RG21090600; Motion for Final Approval granted on December 29, 2025.
- c. *Sandoval, et al. v. The Nephrology Group, Inc.*, Kern County Superior Court, Case No. BCV-23-102097; Motion for Final Approval granted on April 1, 2026.
- d. *Beaty, et al. v. Homer T. Hayward Lumber Co., et al.*, Santa Barbara County Superior Court, Case No. 22CV04267; Motion for Final Approval granted on May 27, 2026.
- e. *Chavarria v. Soares Automotive, Inc.*, San Bernardino County Superior Court, Case No. CIVSB2319781; Motion for Final Approval granted on June 9, 2026.
- f. *Stein, et al v. Alternative Therapeutics Solutions, Inc., et al.*, Los Angeles County Superior Court, Case No. 23STCV07216; Motion for Final Approval granted on July 10, 2026.
- g. *Reinke, et al. v. MGE Underground, Inc.*, Santa Clara County Superior Court, Case No. 22CV403855; Motion for Final Approval granted on August 10, 2026.

75. Eugene Zinovyev is a Junior Partner at WLF. He graduated from the University of California Berkeley with a Bachelor of Arts in Political Economy of Industrial Societies, and received his Juris Doctor from the University of California, San Francisco School of Law in 2009. He has practiced employment and wage and hour law since on both the plaintiff and defense sides. Mr. Zinovyev has tried multiple jury cases to verdict as well as numerous bench trials. He has also briefed published appellate court decisions in both state and federal court. Mr. Zinovyev is admitted to practice before all Federal District Courts in California as well as the 9th Circuit Court of Appeals. He is also a member of the California Employment Lawyers Association. He has mediated and settled dozens of class and representative actions as well as

individual civil matters. A non-exhaustive list of the cases where Mr. Zinovyev has been appointed as class counsel while at WLF is as follows:

- a. *Rojas v. Amgen, Inc.*, Ventura County Superior Court, Case No. 2024CUOE025580; Motion for Final Approval granted on October 23, 2025.
- b. *Perez v. Carswell Group Inc.*, Stanislaus County Superior Court, Case No. CV-23-007642; Motion for Final Approval granted on November 4, 2025.
- c. *Alvarez, et al. v. Amarok LLC*, Sacramento County Superior Court, Case No. 24CV008395; Motion for Final Approval granted on November 14, 2025.
- d. *Lara, et al. v. 3360 Magnolia Ave, Inc., et al.*, Los Angeles County Superior Court, Case No. 24STCV05190; Motion for Final Approval granted on January 14, 2026.
- e. *Ramirez-Pacheco v. Brophy Bros., Inc., et al.*, Ventura County Superior Court, Case No. 2024CUOE021291; Motion for Final Approval granted on April 28, 2026.
- f. *Ansis, et al., v. Aloha Residential Care Facility, Inc.*, Alameda County Superior Court, Case Nos. 24CV069658 and 24CV088968; Motion for Final Approval granted on May 27, 2026.
- g. *Barrios, et al. v. Tri-State Community Healthcare Center*, Los Angeles County Superior Court, Case No. 24STCV28332; Motion for Final Approval granted on June 22, 2026.
- h. *Ramos v. Cutlet Beverly Hills, L.P.*, Los Angeles County Superior Court, Case No. 24STCV10878; Motion for Final Approval granted on June 30, 2026.
- i. *Margaritis v. AAA Oil, Inc.*, Orange County Superior Court, Case No. 30-2024-01383304-CU-OE-CXC; Motion for Final Approval granted on July 2, 2026.
- j. *Acosta v. La Playa Hotel Group, LLC, et al.*, Monterey County Superior Court, Case No. 25CV003941; Motion for Final Approval granted on July 10, 2026.
- k. *Deardorff v. Tutor Partners LLC*, Los Angeles County Superior Court, Case No. 24STCV13693; Motion for Final Approval granted on July 15, 2026.

1 1. *Smith v. San Diego Country Estates Association*, San Diego County Superior
2 Court, Case No. 37-2024-00025729-CU-OE-CTL; Motion for Final Approval
3 granted on July 16, 2026.

4 m. *Lalezarian, et al. v. Homak Enterprises, Inc.*, et al., Los Angeles County Superior
5 Court, Case No. 24STCV06524; Motion for Final Approval granted on July 16,
6 2026.

7 n. *Rodriguez v. Frank C. Alegre Trucking, Inc.*, San Joaquin County Superior Court,
8 Case No. STK-CV-UOE-2024-5249; Motion for Final Approval granted on July
9 22, 2026.

10 76. Arrash T. Fattahi is a Partner at Wilshire Law Firm, PLC. Mr. Fattahi graduated
11 from the University of California, Los Angeles with a Bachelor of Arts in Political Science,
12 *summa cum laude*. He received his Juris Doctor from The George Washington University Law
13 School. During law school, he was a member of the student editorial board for the Federal
14 Circuit Bar Journal. Mr. Fattahi's practice is focused on advocating for the rights of consumers
15 and employees in class action litigation. He is currently the managing attorney in charge of
16 litigating several class action cases in state and federal courts in California. As the attorney
17 responsible for day-to-day management of this matter at the Wilshire Law Firm, PLC, Mr.
18 Fattahi has over five years of experience litigating wage and hour class actions. Over the past
19 five plus years, Mr. Fattahi has managed and assisted with the litigation and settlement of
20 several wage and hour class actions. In those class actions, he performed similar tasks as those
21 performed in the course of prosecuting this action. Mr. Fattahi was selected as a "Southern
22 California Rising Star" in 2025 and 2026. A non-exhaustive list of the cases where Mr. Fattahi
23 has been appointed as class counsel while at WLF is as follows:

24 a. *Kingsbury v. Caravan Foods II, Inc.*, Alameda County Superior Court, Case No.
25 RG21096357; Motion for Final Approval granted on January 31, 2023.

26 b. *Frias-Estrada v. Trek Retail Corporation*, Contra Costa County Superior Court,
27 Case No. MSC20-01916; Motion for Final Approval granted on March 3, 2023.
28

- c. *Reyes v. Everytable, PBC, et al.*, Los Angeles County Superior Court, Case No. 21STCV35987; Motion for Final Approval granted on May 3, 2023.
- d. *Ortiz v. Tara Materials, Inc.*, San Diego County Superior Court, Case No. 37-2021-0001473-CU-OE-CTL; Motion for Final Approval granted on May 30, 2023.
- e. *Cruz-Sanchez v. Eagle Lath & Plaster, Inc.*, Sacramento County Superior Court, Case No. 34-2021-00293739-CU-OE-GDS; Motion for Final Approval granted on May 30, 2023.
- f. *Garduno v. New Generation Framing, Inc., et al.*, Stanislaus County Superior Court, Case No. CV-21-000544; Motion for Final Approval granted on August 11, 2023.
- g. *Hernandez, et al. v. Burford Farming Company, Inc.*, Fresno County Superior Court, Case No. 21CECG03817; Motion for Final Approval granted on August 21, 2023.
- h. *Barajas v. Final Phase Construction, Inc.*, San Bernardino County Superior Court, Case No. CIVSB2118622; Motion for Final Approval granted on September 13, 2023.
- i. *Jaimes, et al. v. Infiniti Health LLC*, Los Angeles County Superior Court, Case No. 22STCV07261; Motion for Final Approval granted on October 17, 2023.
- j. *Nunez v. Gabriel Container*, Los Angeles County Superior Court, Case No. 21STCV09787; Motion for Final Approval granted on November 2, 2023.
- k. *Lupercio v. Western CNC, Inc.*, San Diego County Superior Court, Case No. 37-2021-00010314-CU-OE-CTL; Motion for Final Approval granted on January 26, 2024.
- l. *Jackson, et al. v. Apple Valley Communications, Inc., et al.*, San Bernardino County Superior Court, Case No. CIVSB2124721; Motion for Final Approval granted on February 1, 2024.

- 1 m. *Cuadras, et al. v. Guinn Corporation*, Kern County Superior Court, Case No.
2 BCV-21-101520; Motion for Final Approval granted on February 22, 2024.
- 3 n. *Williams v. Total Longterm Care, Inc., et al.*, San Bernardino County Superior
4 Court, Case No. CIVSB2213347; Motion for Final Approval granted on April 2,
5 2024.
- 6 o. *Meza v. Argus Management Company, LLC, et al.*, Los Angeles County Superior
7 Court, Case No. 21STCV31612; Motion for Final Approval granted on May 20,
8 2024.
- 9 p. *Wade v. Mallory Safety and Supply LLC*, Siskiyou County Superior Court, Case
10 No. 23CV00951; Motion for Final Approval granted on July 11, 2024.
- 11 q. *Snell v. Shasta Community Health Center*, Shasta County Superior Court, Case
12 No. CVCV22-199416; Motion for Final Approval granted on November 12, 2024.
- 13 r. *Arce v. Sammy's Woodfired Pizza*, San Diego County Superior Court, Case No.
14 37-2023-00037670-CU-OE-CTL; Motion for Final Approval granted on January
15 10, 2025.
- 16 s. *Ochoa, et al. v. La Tavola, LLC*, Napa County Superior Court, Case No.
17 22CV000862; Motion for Final Approval granted on January 23, 2025.
- 18 t. *Brown, et al. v. Fidelity Security Services, Inc.*, Los Angeles County Superior
19 Court, Case No. 21STCV31617; Motion for Final Approval granted on January
20 28, 2025.
- 21 u. *Torres v. Lupton Excavation, Inc.*, Sacramento County Superior Court, Case No.
22 34-2022-00317401-CU-OE-GDS; Motion for Final Approval granted on April
23 18, 2025.
- 24 v. *Peterson v. PJ Printers*, Orange County Superior Court, Case No. 30-2022-
25 01247546-CU-OE-CTL; Motion for Final Approval granted on April 25, 2025.
- 26 w. *Harris v. D&D Gear Incorporated dba Absolute Technologies, Inc.*, Orange
27 County Superior Court, Case No. 30-2021-01222330-CU-OE-CTL; Motion for
28 Final Approval granted on April 25, 2025.

- x. *Guarista, et al. v. Urologic Institute of the High Desert, Inc.*, San Bernardino County Superior Court, Case No. CIVSB2125029; Motion for Final Approval granted on June 17, 2025.
- y. *Carbajal v. Mattco Forge, Inc.*, Los Angeles County Superior Court, Case No. 23STCV12264; Motion for Final Approval granted on July 28, 2025.
- z. *Martinez v. Corticare, Inc.*, San Diego County Superior Court, Case No. 37-2023-00055906-CU-OE-CTL; Motion for Final Approval granted on November 21, 2025.
- aa. *Chavez v. Hemington Landscape Services*, Sacramento County Superior Court, Case No. 34-2022-00324239-CU-OE-GDS; Motion for Final Approval granted on February 4, 2026.
- bb. *Bivens, et al. v. Right at School, LLC*, Los Angeles County Superior Court, Case No. 23STCV31316; Motion for Final Approval granted on February 19, 2026.
- cc. *Acevedo, et al. v. Crocs Retail, LLC*, Los Angeles County Superior Court, Case No. 23STCV15354; Motion for Final Approval granted on March 6, 2026.
- dd. *Gonzalez v. MAG Aerospace Industries, LLC*, Los Angeles County Superior Court, Case No. 23STCV31607; Motion for Final Approval granted on March 9, 2026.
- ee. *Alvarado, et al. v. URS Operations, LLC*, Los Angeles County Superior Court, Case No. 23STCV23711; Motion for Final Approval granted on April 22, 2026.
- ff. *Phillips v. King's Casino Management Corp.*, Sacramento County Superior Court, Case No. 23CV007240; Motion for Final Approval granted on May 8, 2026.
- gg. *Montero v. Barsotti Juice Company*, El Dorado County Superior Court, Case No. 23CV0827; Motion for Final Approval granted on May 22, 2026.
- hh. *Flores v. Pacific Green Landscape, Inc.*, San Diego County Superior Court, Case No. 37-2023-00054631-CU-OE-CTL; Motion for Final Approval granted on June 26, 2026.

1 ii. *Senna v. The Joint Corp. dba "The Joint Chiropractic Management Company,"*
2 Contra Costa County Superior Court, Case No. C23-02194; Motion for Final
3 Approval granted on July 17, 2026.

4 jj. *McCormick, et al. v. Amerifleet Transportation, Inc.*, Los Angeles County
5 Superior Court, Case No. 24STCV00682; Motion for Final Approval granted on
6 July 20, 2026.

7 kk. *Linoz, et al. v. Mains'l California, LLC*, Butte County Superior Court, Case No.
8 23CV01439; Motion for Final Approval granted on July 22, 2026.

9 ll. *Navarro-Gutierrez, et al. v. Movita Juice Bars, LLC*, Los Angeles County
10 Superior Court, Case No. 23STCV20453; Motion for Final Approval granted on
11 August 6, 2026.

12 77. Courtney M. Miller is a Settlement Attorney at WLF. She was admitted to
13 practice law in the State of California in 2019. Ms. Miller graduated from the University of
14 California, Santa Cruz, with a Bachelor of Arts in Sociology. Prior to becoming an attorney,
15 Ms. Miller worked at a boutique civil litigation firm for nearly a decade, primarily handling
16 employment matters. She earned her Juris Doctor from Southwestern Law School in 2019. Ms.
17 Miller has prosecuted wage and hour class and PAGA actions, almost exclusively, since 2020.
18 As a handling attorney, Ms. Miller obtained over \$30 million dollars in settlements on behalf of
19 California employees.

20 78. WLF's fee requests have been approved by many other courts in California. *See, e.g.*,
21 *Matthew Veliz v. DrinkPak, LLC*, Los Angeles County Superior Court, Case No. 22STCV37384,
22 *Ismael Villegas-Sanchez v. COE Orchard Equipment, Inc.*, Sutter County Superior Court Case No.
23 CVCS22-0002261; *Jessica Bronsal v. PTI Technologies Inc.*, Ventura County Superior Court, Case
24 No. 202200570361CUOE; *Miguel A. Vigil Ruiz v. The De Ruosi Group, LLC*, San Joaquin Superior
25 Court, Case No. STK-CV-UOE-2022-8780; *Gutierrez v. Top Drawer Merch, LLC et al*, Los Angeles
26 Superior Court, Case No. 23STCV04299; *Wing v. Road Machinery, LLC et al*, Kern County Superior
27 Court, Case No. BCV-22-102896; *Hernandez v. SGPS Showrig Los Angeles, Inc.*, Los Angeles
28 Superior Court, Case No. 22STCV28155; *Azevedo v. Tulare Nursing & Rehabilitation Hospital, Inc.*,

1 Tulare County Superior Court, Case No. VCU293325; *Haser v. Universal Chain of California, Inc.*,
2 Sacramento County Superior Court, No. 34-2022-00332268; *Caldera v. Performance Online, Inc. et*
3 *al*, Riverside County Superior Court, No. CVRI2306013; *Goosby v. CiminoCare, Inc.*, Sacramento
4 County Superior Court, No. 34-2022-00329033; *Rooks v. Hot Cakes Restaurant Group, Inc.*, San
5 Joaquin County Superior Court, No. STK-CV-UOE-2022-11056; *Garcia v. Compassionate Heart*,
6 Orange County Superior Court, No. No. 30-2022-01294409-CU-OE-CXC; *Parra v. Citrus Valley*
7 *Management Services, Inc.*, Riverside County Superior Court, No. CVRI2301768; *Torres v.*
8 *HomeShield Pest Control Inc.*, Placer County Superior Court, No. S-CV-0049525; *Cabrera v.*
9 *Creekside Auto Group*, Santa Clara County Superior Court, No. 23CV415661; *Simpson v. Arcos*,
10 Riverside Superior Court, No. CVRI2303337; *Payne v. Planned Parenthood: Shasta-Diablo, Inc.*,
11 San Francisco County Superior Court, No. CGC-23-607359; *Turner v. Northrop*, Central District of
12 California, No. 2:23-cv-03756 PA (PDx).

13
14 **No Conflicts**

15 79. WLF has no actual or potential conflicts of interest with Class Members or the
16 proposed Administrator, Phoenix Settlement Administrators, Inc.

17 I declare under penalty of perjury under the laws of the State of California that the foregoing
18 is true and correct.

19 Executed on August 17, 2026 at Los Angeles, California.

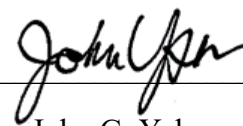
20
21 
22 John G. Yslas

EXHIBIT 1

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July 21, 2022

LWDA

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Southland Care Center
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Re: **Christopher Villa v. Ensign Southland LLC, et al.**
Notice of Labor Code Violations and PAGA Penalties

To Whom It May Concern:

Please be advised that my office has been retained by Christopher Villa ("Plaintiff") to pursue a Labor Code Private Attorneys General Act ("PAGA") representative action (Cal. Lab. Code §§ 2699, *et seq.*) against his former employers, Ensign Southland LLC and Southland Care Center ("Defendants"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Defendants engaged in with respect to Plaintiff and all of Defendants' Aggrieved Employees.

Plaintiff wishes to pursue this action on behalf of himself as an aggrieved employee, on behalf of the State of California, as well as on behalf of all other persons who worked for Defendants in California as a non-exempt or hourly-paid employee at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Plaintiff and the Aggrieved Employees of Defendants suffered the Labor Code violations described below.

Plaintiff's Employment with Defendants

Defendants own/owned and operate/operated an industry, business, and establishment within the State of California. As such, and based upon all the facts and circumstances incident to Defendants' business in California, Defendants are subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission ("IWC"), and the California Business & Professions Code.

Plaintiff Christopher Villa is a resident of Los Angeles County, California who worked for Defendants in Los Angeles County, California as an hourly-paid, non-exempt employee from approximately June 2021 to approximately August 2021. During Plaintiff's employment for Defendants, Defendants paid Plaintiff an hourly wage and classified him as non-exempt from overtime. Defendants typically scheduled Plaintiff to work at least five days in a workweek and at least eight hours per day, but Plaintiff mostly worked more than eight hours in a workday and more than forty (40) hours in a workweek. Throughout Plaintiff's employment, Defendants failed to pay for all hours worked (including minimum, straight time, and overtime wages), failed to provide Plaintiff with legally compliant meal periods, failed to authorize and permit Plaintiff to take legally compliant rest periods, failed to timely pay all final wages to Plaintiff when Defendants terminated their employment, and failed to furnish accurate wage statements to Plaintiff. As discussed below, Plaintiff's experience working for Defendants was typical and illustrative.

Defendants Failed to Pay for All Hours Worked, Including Minimum, Straight Time, and Overtime Wages

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

Throughout the statutory period, Defendants maintained a policy and practice of not paying Plaintiff and the Aggrieved Employees for all hours worked, including minimum, straight time, and overtime wages. Defendants required Plaintiff and the Aggrieved Employees to work "off-

the-clock,” uncompensated, by, for example, requiring Plaintiff and the Aggrieved Employees to perform work after during uncompensated meal periods and rest periods. Some of this unpaid work should have been paid at the overtime rate. In failing to pay for all hours worked, Defendants also failed to maintain accurate records of the hours Plaintiff and the Aggrieved Employees worked.

As a result, Defendants are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal period by the end of their fifth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period by the end of their tenth hour of work. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with a required meal period(s).

Despite these legal requirements, Defendants wrongfully failed to provide Plaintiff and the Aggrieved Employees with their legally mandated 30-minute, uninterrupted, and duty-free meal period in a manner required by law. Defendants also continued to assert control over Plaintiff and the Aggrieved Employees by, among other things, requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal periods, or by denying Plaintiff and the Aggrieved Employees permission to take a meal period under the conditions required by law, and without properly compensating Plaintiff and the Aggrieved Employees for meal periods that were not provided as required by law. Defendants also never informed Plaintiff of their right to, nor permitted them to take, a second meal period when Plaintiff worked at least ten hours of work in a workday and otherwise unlawfully pressured them to waive such breaks. Accordingly, Defendants’ policy and practice was not to provide meal periods to Plaintiff and the Aggrieved Employees in compliance with California law.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not provided with all required meal period(s). Defendants, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for meal periods and that were not provided.

As a result, Defendants are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

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Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of ten uninterrupted minutes for each four hours of work or major fraction of four hours (i.e. more than two hours). Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Throughout the statutory period, Defendants have wrongfully failed to authorize and permit Plaintiff and the Aggrieved Employees to take legally compliant rest periods in a manner required by law. Defendants also regularly required Plaintiff and the Aggrieved Employees to work in excess of four consecutive hours a day without Defendants authorizing and permitting them to take a 10-minute, uninterrupted, duty-free rest period for every four hours of work (or major fraction of four hours), and without properly compensating Plaintiff and the Aggrieved Employees for rest periods that were not authorized or permitted. Instead, among other things, Defendants continued to assert control over Plaintiff and the Aggrieved Employees by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest periods, and by denying Plaintiff and the Aggrieved Employees permission to take a rest period under the conditions required by law. Accordingly, Defendants' policy and practice was to not authorize and permit Plaintiff and the Aggrieved Employees to take rest periods in compliance with California law.

Plaintiff and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Defendants, however, regularly failed to pay Plaintiff and the Aggrieved Employees the additional wages to which they were entitled for rest periods and that they were not authorized and permitted to take.

As a result, Defendants are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Pay All Earned Wages Twice Per Month

Based on its failure to pay Plaintiff and the Aggrieved Employees for all wages as discussed above, Defendants also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However, during all such times, Defendants systematically failed and refused to pay the employees all wages due, and failed to pay those wages twice a month, in that employees were not paid all wages for

all meal periods not provided by Defendants, all wages for all rest periods not authorized and permitted by Defendants, and all wages for all hours worked. As a result, Defendants owe employees the legally required wages for unpaid wages, and Plaintiff and the Aggrieved Employees suffered damages in those amounts.

Moreover, Defendants are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Plaintiff seeks penalties under California Labor Code § 1174(d). Pursuant to California Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Defendants, however, failed to maintain accurate records of hours worked and all meal periods taken or missed by Plaintiff and the Aggrieved Employees.

Defendants' failure to provide and maintain records required by the California Labor Code and the applicable IWC Wage Orders deprived Plaintiff and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Defendants' records. Therefore, Plaintiff and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Defendants. As a direct result, Plaintiff and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorney's fees in seeking to compel Defendants to fully perform its obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Defendants' knowing failure to comply with the California Labor Code and applicable IWC Wage Orders, Plaintiff and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

Within the applicable statute of limitations, the employment of Plaintiff and many other Aggrieved Employees ended, i.e., was terminated by quitting or being discharged, and the employment of others will be terminated. However, during the relevant time period, Defendants failed, and continues to fail to pay Plaintiff and terminated Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employment. These unpaid wages include wages for unpaid work time (including minimum, straight time, and overtime wages), missed meal period premium wages, and missed rest period premium wages.

Defendants' conduct violates Labor Code §§ 201 and 202. Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Plaintiff and the Aggrieved Employees are entitled to recover from Defendants their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to thirty (30) days maximum pursuant to Labor Code § 203.

Moreover, Defendants are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: "An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney's fees." (Lab. Code § 226(e)(1).)

Throughout the statutory period, Defendants failed to furnish Plaintiff and the Aggrieved Employees with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, correct wages for meal periods that were not provided in accordance with California law, and correct wages for rest periods that were not authorized and permitted to take in accordance with California law).

Because Defendants violated Labor Code § 226, Plaintiff and similarly Aggrieved Employees suffered injury and damage to their statutorily protected rights. Accordingly, Plaintiff and similarly Aggrieved Employees are entitled to recover from Defendants the greater of their actual damages caused by Defendants' failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per employee, or as otherwise permitted by PAGA.

Moreover, Defendants are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to furnish accurate itemized wage statements.

Failure to Produce Requested Employment Records

Labor Code § 226(c) provides that every employer who receives a written or oral request to inspect or receive a copy of records pursuant to subdivision (a) and (b) pertaining to a current or former employee shall comply with the request as soon as practicable, but no later than 21 calendar days from the date of the request. A violation of this subdivision is an infraction. Impossibility of performance, not caused by or a result of a violation of law, shall be an affirmative defense for an employer in any action alleging a violation of this subdivision. An employer may designate the person to whom a request under this subdivision will be made.

Labor Code § 1198.5 provides that (a) Every current and former employee, or his or her representative, has the right to inspect and receive a copy of the personnel records that the employer maintains relating to the employee's performance or to any grievance concerning the employee. (b) (1) The employer shall make the contents of those personnel records available for inspection to the current or former employee, or his or her representative, at reasonable intervals and at reasonable times, but not later than 30 calendar days from the date the employer receives a written request, unless the current or former employee, or his or her representative, and the employer agree in writing to a date beyond 30 calendar days to inspect the records, and the agreed-upon date does not exceed 35 calendar days from the employer's receipt of the written request. Upon a written request from a current or former employee, or his or her representative, the employer shall also provide a copy of the personnel records, at a charge not to exceed the actual cost of reproduction, not later than 30 calendar days from the date the employer receives the request, unless the current or former employee, or his or her representative, and the employer agree in writing to a date beyond 30 calendar days to produce a copy of the records, as long as the agreed-upon date does not exceed 35 calendar days from the employer's receipt of the written request. Except as provided in paragraph (2) of subdivision (c), the employer is not required to make those

personnel records or a copy thereof available at a time when the employee is actually required to render service to the employer, if the requester is the employee.

On August 17, 2021, August 27, 2021, August 31, 2021, October 6, 2021, and October 11, 2021, Plaintiff sent written requests through his counsel to Defendants for his personnel file, pay records, wage statements, timekeeping records, and other employment-related documents pursuant to Labor Code section 226 and 1198.5. However, Defendants failed to timely produce the requested employment records, in violation of Labor Code sections 226 and 1198.5. Defendants have not produced any of the requested employment records for Mr. Villa as of the date of this Complaint, and have engaged in similar unlawful conduct as to other Aggrieved Employees.

As a result, Defendants are liable to Plaintiff and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 226 and 1198.5 for failing to produce requested employment records.

Action for Civil Penalties Under PAGA

In light of the above, Plaintiff alleges that Defendants violated the following provisions of the Labor Code with respect to the Aggrieved Employees:

1. Labor Code § 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages, and overtime wages;
2. Labor Code § 226.7 and applicable Wage Orders by failing to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing to authorize and permit rest periods;
4. Labor Code § 204 by failing to pay all earned wages two times per month;
5. California Labor Code § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;
6. Labor Code §§ 201 to 203 by willfully failing to pay all wages owed at termination;
7. Labor Code § 226 by failing to provide accurate itemized wage statements; and
8. Labor Code § 226 and 1198.5 by failing to produce requested employment records.

Therefore, on behalf of all Aggrieved Employees, Plaintiff seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 1174.5, 1197.1, and 2699(f)(2).

Plaintiff has placed Defendants on notice by mailing a certified copy of this correspondence, as indicated on the first page.

///

LWDA
Notice of Labor Code Violations and PAGA
July 21, 2022
Page 9 of 9

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

WILSHIRE LAW FIRM



John G. Yslas, Esq.



WILSHIRE LAW FIRM, PLC

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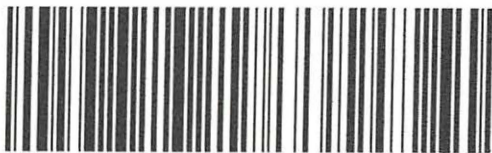
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September 1, 2023

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Sacramento, CA 95814
(Via Certified Mail, Return Receipt Requested)
9489 0090 0027 6362 4833 34

Re: ***Darnell Mendros v. C Street Health Associates LLC dba Glenwood Care Center***
Notice of Labor Code Violations and PAGA Penalties

To Whom It May Concern:

Please be advised that my office has been retained by Darnell Mendros ("Mr. Mendros" or "Employee") to pursue a Labor Code Private Attorneys General Act of 2004 ("PAGA") representative action (Cal. Lab. Code §§ 2699, *et seq.*) against Employee's former employer, C Street Health Associates LLC dba Glenwood Care Center ("Glenwood" or "Employers"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Employers engaged in with respect to Employee and potentially all of Employers' Aggrieved Employees.

Mr. Mendros wishes to pursue this action on behalf of Employees as Aggrieved Employees, on behalf of the State of California, as well as on behalf of potentially all other persons who worked for Glenwood in California as a non-exempt or hourly-paid employee at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Employee and the Aggrieved Employees suffered the Labor Code violations described below.

Mr. Mendros' Employment with Glenwood

Glenwood is a short-term in-house nursing and long-term care facility. Employee worked as a Physical Therapist Aide, where his job was to assist in planning, organizing, and directing physical therapy as instructed by the supervising therapist. In performing Employee's duties, Employee was regularly required to perform work (off-the-clock), without compensation. Employee was also frequently deprived of an opportunity to take legally compliant meal and rest breaks. Moreover, Employers failed to provide Employee and other Aggrieved Employees with the meal and rest break premiums as required by the Labor Code. Additionally, Employee was expected to and did incur business-related expenses, such as buying his own work scrubs and using his personal cellphone for business-related purposes, but Employers failed to reimburse such business-related expenses. These are just non-exhaustive examples of the facts and theories the Employee asserts, which are described in more detail below.

Employers own/owned and operate/operated an industry, business, and establishment within the State of California. As such, and based upon all the facts and circumstances incident to Employers' business in California, Employers are subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission ("IWC"), and the California Business & Professions Code.

Darnell Mendros is a resident of Oxnard, California who worked for Employers in Ventura County, California as an hourly-paid, non-exempt employee from approximately February 2009 to approximately June 2023.

During Employee's employment for Employers, Employers paid Employee an hourly wage and classified Employee as non-exempt from overtime. Employers typically scheduled Employee to work at least five days in a workweek and at least eight hours per day, but Employee also worked more than eight hours in a workday and more than forty (40) hours in a workweek.

Throughout Employee's employment, Employers failed to pay for all hours worked (including minimum, straight time, and overtime wages), failed to provide Employee with legally compliant meal periods, failed to authorize and permit Employee to take rest periods, failed to timely pay all final wages to Employee when Employers terminated Employee's employment, failed to furnish accurate wage statements to Employee, failed to indemnify Employee for business expenditures, and failed to timely produce Employee's requested employment records. As discussed below, Employee's experience working for Employers was typical and illustrative.

Failure to Pay for All Hours Worked, Including Minimum, Straight Time, and Overtime Wages

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the

employment of an employee for longer hours than those fixed by the IWC is unlawful.

Throughout the statutory period, Employers failed to pay Employee and the Aggrieved Employees for all hours worked, including minimum, straight time, and overtime wages. Employers required Employee and the Aggrieved Employees to work “off-the-clock,” uncompensated, by, for example, requiring Employee and the Aggrieved Employees to perform work during uncompensated meal periods and rest periods, and requiring Employee and the Aggrieved Employees to perform work before clocking in and/or after clocking out. Some of this unpaid work should have been paid at the overtime rate. California Labor Code § 510 requires that employers compensate employees 1.5 times their regular rate of pay when employees work over eight hours per day, 40 hours per week, or when employees work up to eight hours on any seventh day of a workweek. Employers failed to properly calculate Employee’s regular rate of pay when paying overtime, by failing to include all compensation in Employee’s overtime calculations. In failing to pay for all hours worked, Employers also failed to maintain accurate records of the hours Employee and the Aggrieved Employees worked.

Throughout the statutory period, Employers also engaged in a practice of improper rounding. Under *Camp v. Home Depot U.S.A., Inc.* (2022) 84 Cal.App.5th 638, because Employers could and did track the exact time in minutes that Employee worked, they must pay for all time worked. When an employer uses an electronic timekeeping system to record time worked, this ability to “precisely capture time worked” means that “the employer must pay the employee for that worktime when due.” (*Id.* at 671.) As a result of Employers’ rounding policy, Employee consistently was not compensated at least minimum wage for all hours that Employee worked.

As a result, Employers are liable to Employee and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s). Despite these legal requirements, Employers wrongfully failed to provide Employee and the Aggrieved Employees with their legally mandated 30-minute, uninterrupted, and duty-free meal period in a manner required by law (and also including but not limited to failing to provide Plaintiff, the Class, and the Aggrieved Employees the opportunity to leave the work premises to take meal periods). Employers also continued to assert control over Employee and the Aggrieved Employees by, among other things, requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal periods, or by denying Employee and the Aggrieved Employees permission to take a meal period under the conditions required by law, and without properly compensating Employee and the Aggrieved Employees for meal periods that were not provided as required by law. Employers also did not inform Employee of Employee’s right to, nor permitted Employee to take, all of Employee’s second meal periods when Employee worked at least ten hours of work in a workday and otherwise unlawfully pressured Employee to waive such breaks. Accordingly, Employers failed to provide meal periods to Employee and the Aggrieved Employees in compliance with California law.

Employee and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s). Employers, however, regularly failed to pay Employee and the Aggrieved Employees the additional wages to which they were entitled for meal periods that were not provided.

As a result, Employers are liable to Employee and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of ten uninterrupted minutes for each four hours of work or major fraction of four hours (i.e., more than two hours). Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Throughout the statutory period, Employers have wrongfully failed to authorize and permit Employee and the Aggrieved Employees to take legally compliant rest periods in a manner required by law (and also including but not limited to failing to authorize and permit Plaintiff, the Class, and the Aggrieved Employees the opportunity to leave the work premises to take rest periods). Employers regularly required Employee and the Aggrieved Employees to work in excess of four consecutive hours a day without Employers' authorizing and permitting Employee to take a 10-minute, uninterrupted, duty-free rest period for every four hours of work (or major fraction of four hours), or without compensating Employee and the Aggrieved Employees for rest periods that were not authorized or permitted. Instead, Employers continued to assert control over Employee and the Aggrieved Employees by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest periods, or by denying Employee and the Aggrieved Employees permission to take a rest period. Accordingly, Employers failed to authorize and permit Employee and the Aggrieved Employees to take rest periods in compliance with California law. Employee and the Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Employers, however, regularly failed to pay Employee and the Aggrieved Employees the additional wages to which they were entitled for rest periods that they were not authorized and permitted to take.

As a result, Employers are liable to Employee and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Pay All Earned Wages Twice Per Month

Based on Employers' failure to pay Employee and the Aggrieved Employees for all wages as discussed above, Employers also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However, during all such times, Employers failed and refused to pay the Employee all wages due, and failed to pay those wages twice a month, in that Employee was not paid all wages for all meal periods

not provided by Employers, all wages for all rest periods not authorized and permitted by Employers, and all wages for all hours worked. As a result, Employers owe Employee the legally required wages for unpaid wages, and Employee and the Aggrieved Employees suffered damages in those amounts.

Moreover, Employers are liable to Employee and the Aggrieved Employees for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Employee seeks penalties under California Labor Code § 1174(d). Pursuant to California Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Employers, however, failed to maintain accurate records of hours worked and all meal periods taken or missed by Employee and the Aggrieved Employees.

Employers' failure to provide and maintain records required by the California Labor Code and the applicable IWC Wage Orders deprived Employee and the Aggrieved Employees the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Employers' records. Therefore, Employee and the Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Employers. As a direct result, Employee and the Aggrieved Employees have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorneys' fees in seeking to compel Employers to fully perform their obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Employers' knowing failure to comply with the California Labor Code and applicable IWC Wage Orders, Employee and the Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

Within the applicable statute of limitations, the employment of Employee and many other Aggrieved Employees ended, i.e., was terminated by quitting or being discharged, and the employment of others will be terminated. However, during the relevant time period, Employers failed, and continue to fail to pay Employee and terminated Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Employers' employment. These unpaid wages include wages for unpaid work time (including minimum, straight time, and overtime wages), missed meal period premium wages, and missed rest period premium wages.

Employers' conduct violates Labor Code §§ 201 and 202. Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Employee and the Aggrieved Employees are entitled to recover from Employers their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to thirty (30) days maximum pursuant to Labor Code § 203.

Moreover, Employers are liable to Employee and the Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: "An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney's fees." (Lab. Code § 226(e)(1).)

Throughout the statutory period, Employers failed to, and continue to fail to timely furnish Employee and the Aggrieved Employees with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, correct wages for meal periods that were not provided in accordance with California law, and correct wages for rest periods that were not authorized and permitted to take in accordance with California law).

Because Employers violated Labor Code § 226, Employee and similarly Aggrieved Employees suffered injury and damage to their statutorily protected rights. Accordingly, Employee and similarly Aggrieved Employees are entitled to recover from Employers the greater of their actual damages caused by Employers' failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per employee. Moreover, Employers are liable to Employee and the Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to timely furnish accurate itemized wage statements.

Failure to Indemnify for Necessary Expenditures

Labor Code § 2802(a) provides that employers shall indemnify their employees for all necessary business expenditures or losses that have been incurred by the employees in direct discharge of his or her duties. Throughout the statute of limitations period applicable to this cause of action, Employers wrongfully required Employee and the Aggrieved Employees to pay expenses that they incurred in direct discharge of their duties for Employers. Employee and the Aggrieved Employees regularly paid out-of-pocket for necessary employment-related expenses. Employee and the Aggrieved Employees incurred substantial expenses as a direct result of performing their job duties for Employers, but Employers failed to indemnify Employee and the Aggrieved Employees for these employment-related expenses.

As a result, Employers are liable to Employee and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 2802 and 2699(f)(2) for failing to indemnify Employee and the Aggrieved Employees for necessary business expenditures.

Failure to Produce Requested Employment Records

Labor Code § 226 provides that current and former employees have the right to inspect or receive a copy of their records pertaining to their employment, upon reasonable request to their employer. Under this statute, an employer that receives a request to inspect or receive a copy of records pertaining to a current or former employee must comply with the request as soon as practicable, but no later than twenty-one (21) calendar days from the date of the request. Labor Code § 1198.5(a) also provides that every current and former employee, or his or her representative, has the right to inspect and receive a copy of the personnel records that the employer maintains relating to the employees' performance or to any grievance concerning the employee. Under this statute, upon written request from a current or former employee or his or her representative, an employer must make the contents of those personnel records available for inspection or provide a copy of the personnel records to the current or former employee, or his or her representative, not later than thirty (30) calendar days from the date the employer receives the written request, subject to some limited exceptions. Labor Code § 432 provides that if an employee or applicant signs any instrument relating to the obtaining or holding of employment, he or she shall be given a copy of the instrument upon request. On information and belief, Employee and the Aggrieved Employees, or some of them, submitted written request(s) to Employers for their payroll records, timecards, and personnel records but did not timely receive them as required by the Labor Code.

As a result, Employers are liable to Employee and the Aggrieved Employees for the civil penalties provided for in Labor Code §§ 226(f), 1198.5(k), and 2699 for failing to timely produce the requested records.

Recordkeeping Requirement Violations

California Labor Code section 1174 requires employers to keep "accurate and complete" payroll records showing, among other things, the hours worked daily by Employees and Aggrieved Employees. All applicable IWC Wage Orders, section 7 similarly requires employers to keep accurate time records reflecting the times during which all owed meal periods were provided each day.

Based on information and belief, Employers failed, and continue to fail, to keep accurate and complete payroll records as required by law, including but not limited to the following records: total daily hours worked, applicable rates of pay, time records showing when Employee and other

Aggrieved Employees began and ended each work period, time records of meal periods, and accurate itemized wage statements.

Based on information and belief, Employers failed and continue to fail to keep accurate and complete records showing total hours worked by Employee and Aggrieved Employees by virtue of Employers' time rounding and/or auto deduction policies and practices and/or other off-the-clock work policies and practices.

Employers failed and continue to fail to keep accurate and complete records showing total hours worked by virtue of Employers' failure to relieve Employee and Aggrieved Employees of all duties and Employers' control for unpaid meal periods, resulting in unpaid hours worked.

Based on information and belief, Employers further failed, and continue to fail, to record the true start and end times of Employee's and Aggrieved Employees' meal periods.

Based on further information and belief, Employers further failed and continue to fail, to record the true start and end times of Employee's and Aggrieved Employees' work shifts.

Additionally, Employers failed, and continue to fail to keep accurate records and issue accurate wage statements by not documenting accrued sick time for Employee and Aggrieved Employees. Employers' failure to keep "accurate and complete" payroll records for Employee and Aggrieved Employees violates Labor Code sections 1174, 1198, 1199, and all applicable IWC Wage Orders, section 7. These violations subject Employers to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each Aggrieved Employees, results in a separate civil penalty.¹

Violation of Wage Theft Protection Act of 2011

Based on information and belief, Employers failed, and continue to fail, to comply with the notice requirements of Labor Code section 2810.5 (*i.e.*, the Wage Theft Protection Act of 2011) by, among other things, failing to provide Employee and Aggrieved Employees with the rates of pay and overtime rates of pay applicable to their employment, allowances claimed as part of the minimum wage, the regular payday designated by Employers, the name of the employer, including any "doing business as" names used, the name, address and telephone number of the workers' compensation insurance carrier, information regarding paid sick leave, and other pertinent information required to be disclosed by Employers under Labor Code section 2810.5. Employee is informed and believes that failure to provide such information, including rates of pay that are in effect, has permitted Employers to pay employees at rates of pay that were not agreed upon and violate minimum wage and overtime wage laws in California. Employee is additionally informed and believes that the notice requirement of Labor Code section 2810.5 involves a mandatory payroll or workplace injury reporting. Among other relief, employees may collect from Employers in connection with these violations' civil penalties pursuant to Labor Code sections 558 and 2699.

Violation of California Labor Code §§ 245-248.5

Throughout the relevant time period, Employers failed to provide proper paid sick leave to Employee and other Aggrieved Employees. Employers either failed to provide paid sick leave at

¹ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

all or improperly calculated the sick leave accrual and the sick leave rate of pay owed to Employee and other Aggrieved Employees by failing to base the accrued sick leave hours on the correct number of hours worked (as a result of the rounding/automatic deduction policies and practices for meal periods and/or shift start and end times/other required off-the-clock work including but not limited to unpaid meal periods that were restricted to Employers' premises) and by failing to incorporate multiple rates of pay and/or all non-discretionary remuneration, including but not limited to, non-discretionary bonuses, shift differential pay and/or other non-discretionary compensation into the sick leave pay rate calculation.

Based on information and belief, Employers further failed to provide notice of the correct sick leave amount balance available to Employee and other Aggrieved Employees on their wage statements or other written statement.

Based on information and belief, Employers failed to put NON-EXEMPT AGGRIEVED on notice of their paid sick leave rights—or thereby putting their entitlement to sick leave in a Labor Code section 2810.5 notice. In addition, Employers failed to maintain accurate records of used sick leave and the balance of paid sick leave left to the NON-EXEMPT AGGRIEVED EMPLOYEE throughout the relevant time period.

Based on information and belief, throughout the relevant period, Employers failed to provide notice of sick leave amount balance left for Employee and other Aggrieved Employees, thus affecting their intelligent exercise of their paid sick leave. But for this failure, Employee and other Aggrieved Employees would have used their paid sick leave at least prior to their respective separations, for as on several occasions thereafter, he or she would have been entitled to use the banked sick leave and earn appropriate compensation.

This illegal retention of paid sick leave is unlawful, and Employee seeks all forms of injunctive relief, restitution, and declaratory relief as permitted by California law, on behalf of Employee and all Aggrieved Employees.

In violation of Labor Code section 247.5, Employers failed to maintain records documenting the hours worked and paid sick days accrued and used by Employee and all Aggrieved Employees, permitting the presumption that Employee and all Aggrieved Employees were entitled to the maximum number of hours accruable under this article.

Upon information and belief, Employers further failed and continue to fail to comply with Labor Code section 246, by failing to provide Employee and all Aggrieved Employees with a Labor Code section 226 wage statement, or separate writing containing the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, at the time it pays wages.

Employers unlawfully retained and continue to retain paid sick leave that should have been paid but was not, as a result of Employers' failure to properly institute a paid sick leave program.

On information and belief, Employee alleges that all of these practices were experienced and continue to be experienced by other Aggrieved Employees.

Employee requests all appropriate relief under the PAGA and these statutes, including but not limited to the restitution of earned paid sick leave that could have been used, but was not due to Employers' sole failure to institute such a paid sick leave entitlement or paid sick leave bank as required by California law.

Accordingly, Employee and other Aggrieved Employees are entitled to injunctive relief, attorneys' fees, declaratory relief, restitution, and penalties as permitted by law. Employee requests all relief pursuant to the aforementioned code provisions, including but not limited to Labor Code sections 233 and 234, which incorporates the paid sick leave requirements.

Failure To Provide Supplemental Paid Sick Leave

Labor Code section 248.2 provides that all employers with 26 or more employees are required to provide up to 80 hours for covered employees to take 2021 COVID-19 Supplemental Paid Sick Leave to care for themselves, to care for a family member or if it is vaccine-related. Based on information and belief, Employers violated Labor Code section 248.2 by not providing Aggrieved Employees with required 2021 COVID-19 Supplemental Paid Sick Leave.

Refusal to Make Payment

Labor Code section 216 declares unlawful an employer's refusal to pay wages due and payable and/or denial of the validity of any claim to wages due.

Employers violated and continue to violate Labor Code section 216 by failing to pay Employee and all Aggrieved Employees for all hours worked at the proper wage rate and by failing to pay Employee and all Aggrieved Employees an additional hour of pay for each meal and/or rest period not provided or that was invalid. *Gould v. Maryland Sound Industries, Inc.* (1995) 31 Cal.App.4th 1137, 1154-1155.

These violations subject Employers to civil penalties under Labor Code section 225.5. Each violation results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the statute's provisions were violated.²

Seating Violations

Per section 14(A-B) of all applicable IWC Wage Orders, employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats and when they are not actively engaged in the work duties that would not permit them to be seated.

All applicable IWC Wage Orders, Section 14(A-B) provides:

- (A) All working employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats.
- (B) When employees are not engaged in the active duties of their employment and the nature of the work requires standing, an adequate number of suitable seats shall be placed in reasonable proximity to the work area and employees shall be permitted to use such seats when it does not interfere with the performance of their duties.

² Labor Code § 225.5 (establishing that “[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee”) (emphasis added).

Suitable seating is one of the worker protections covered by California's Wage Orders, which have the same dignity as statutes, are remedial in nature and are to be broadly construed to effectuate the goal of protecting the comfort and welfare of employees. *Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004, 1027 (2012).

Based on information and belief, Employers failed to provide Aggrieved Employees with suitable seating, and when such employees were not engaged in duties which required them to stand, no seating was placed in reasonable proximity to their workstations.

Moreover, based on information and belief, the nature of the work reasonably permitted the use of seats for at least part of the time that Aggrieved Employees were working. Lastly, based on information and belief, there were periods of time when Aggrieved Employees were not engaged in active duties of their employment, yet there were no suitable seats in reasonable proximity to the work area and use of seats would not interfere with the performance of their duties.

Employers' Aggrieved Employees worked in various positions. The nature of Employee's and other Aggrieved Employees' work reasonably permitted the use of seats. However, Employers failed to provide suitable seating in reasonable proximity to Aggrieved Employees' work areas in violation of section 14(A-B) of all applicable Wage Orders, and Labor Code sections 1198 and 1199, subjecting Employers to civil penalties under Labor Code sections 1199 and 2699. Each violation of each Labor Code section and IWC Wage Order provision, for each NON-EXEMPT AGGRIEVED EMPLOYEE, results in a separate civil penalty.³

Statutory Wage Violations

Labor Code section 223 makes it unlawful for an employer to secretly pay wages lower than required by statute while purporting to pay legal wages.

As described above, Employers willfully and systematically denied Employee and other Aggrieved Employees of minimum and overtime wage compensation for all hours worked which resulted in the payment of less than statutorily required wages owed to them. Employers acted with the intent to deprive them of statutory wages, including, but not limited to, overtime wages and minimum wages, to which they were entitled to under California law.

Thus, Employers paid Employee and other Aggrieved Employees lower wages than those they were entitled to while purporting that Employee and all Aggrieved Employees were properly paid. As such, Employee and all Aggrieved Employees are entitled to recover penalties, attorneys' fees, costs, and interest thereon, pursuant to Labor Code § 2699(f)-(g).

Failure to Pay Vested Vacation/Paid Time Off

California Labor Code section 227.3 provides that when an employer policy provides for paid vacations and/or paid time off, and an employee is terminated without having taken off his, her, or their vested vacation time, all vested vacation shall be paid to the employee as wages at the employee's final rate in accordance with such contract of employment or employer policy respecting eligibility or time served and that there shall be no forfeiture of vested vacation time or

³ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

paid time off upon termination. Based on information and belief, Employers had and continue to have a uniform policy and practice of failing to allow Aggrieved Employees and Exempt Aggrieved Employees to use their earned vacation/paid time off during their employment and failing to pay all vested, accrued paid time off to Aggrieved Employees and/or Exempt Aggrieved Employees upon separation of employment, in violation of California law, including but not limited to, Labor Code section 227.3.

Failure to Timely Provide Temporary Workers with Owed Wages

On information and belief, Employers had and have a policy of failing to provide all temporary workers with owed wages weekly by not later than the regular payday of the following week. As a result, pursuant to Labor Code section 201.3, Employers would be liable for civil penalties pursuant to Labor Code sections 201.3.

Unlawful Agreements/ Unlawful Criminal History Inquiries

Unlawful Agreements

Labor Code section 432.5 provides that “no employer ... shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer ... to be prohibited by law.” Based on information and belief, Employers required Employee, Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to unlawful conditions of employment including but not limited to, unlawful non-compete and/or non-solicitation agreements as well as unlawful criminal and/or financial checks as a condition of obtaining and/or continuing employment in violation of Labor Code section 432.5.

The California Labor Code places certain procedural and substantive limits on employers’ ability to conduct employee background checks and on how employers can use the information they obtain through those background checks. Labor Code section 1024.5 states that employers, except for financial institutions, may order a credit check only if the individual works (or is applying to work) in certain positions (e.g., managerial positions, financially-related positions, and certain government positions). Additionally, the Investigative Consumer Reporting Agencies Act (ICRAA - CA Civil Code section 1786, *et seq.*) and the Fair Credit Reporting Act (FCRA - 15 U.S.C. section 1681, *et seq.*) mandate several requirements prior to and following an employee background check, including but not limited to identifying an appropriate reason for the background check, a separate consent form with required disclosures and certain formatting requirements, additional forms such as a summary of rights, a way by which to request a copy of the report, as well as proper notice of adverse actions taken, among other statutory requirements.

Based on information and belief, Employers ordered unlawful financial credit checks on Aggrieved Employees and Exempt Aggrieved Employees, in violation of Labor Code section 1024.5, and required Aggrieved Employees and Exempt Aggrieved Employees to provide ongoing written consent to the unlawful credit checks as a condition of employment, in violation of California and Federal law, which results in a further violation of Labor Code section 432.5.

Based on information and belief, Employers also required Aggrieved Employees and Exempt Aggrieved Employees to submit and/or agree to submit in writing to unlawful criminal background checks as a condition of obtaining and/or holding employment in violation of the ICRAA and the FCRA. For example, based on information and belief, Employers required Employee to submit and/or agree to submit in writing to an unlawful background check as a condition of obtaining and/or holding employment in violation of, including but not limited to, Labor Code section 432.5.

Based on information and belief, Employers required Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to a background check which failed to abide by the requirements set forth in CA Civil Code section 1786, *et seq.* and 15 U.S.C. section 1681, *et seq.*, including but not limited to by failing to provide a clear and conspicuous disclosure (and/or failing to provide any disclosure at all), failing to provide disclosures free of extraneous information, failing to provide a lawful purpose for the background check, failing to provide a summary of rights under the ICRAA and/or the FCRA, failing to provide a way by which the individual could request a copy of the report, failing to disclose the name, address, and telephone number of the third party preparing the report, and failing to properly obtain authorization or consent to such a background check, and thus was an unlawful background check.

By requiring Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to unlawful criminal and/or financial checks not in conformance with the applicable laws, Employers violated Labor Code section 432.5.

Based on information and belief, Employers also required Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to provide ongoing consent to Employers to conduct background checks throughout the duration of employment, in violation of the ICRAA and/or FCRA and/or other applicable laws, resulting in a further violation of Labor Code section 432.5, by requiring applicants and employees to agree to an unlawful provision as a condition of employment.

Based on further information and belief, Employers knew that requiring Aggrieved Employees and Exempt Aggrieved Employees to agree to unlawful criminal and/or financial background checks as a condition of obtaining and/or holding employment was unlawful.

By requiring Aggrieved Employees and Exempt Aggrieved Employees agree in writing to unlawful provisions as a condition of employment, Employers violated Labor Code section 432.5.

Unlawful Inquires into Criminal History

Labor Code section 432.7 prohibits an employer from asking applicants about past arrest(s) unless they resulted in conviction(s) and even then, certain limitations apply. Based on information and belief, Employers asked Aggrieved Employees, and Exempt Aggrieved Employees about arrests not resulting in convictions on their employment application, in violation of California law.

Upon information and belief, Employers, in violation of California law, including but not limited to the Fair Chance Act/the California Fair Employment and Housing Act (“FEHA”), asked Aggrieved Employees and Exempt Aggrieved Employees about convictions prior to extending an offer of employment and/or otherwise impermissibly inquired into criminal history on their employment application in violation of California law.

By asking about arrests not resulting in convictions, Employers violated Labor Code section 432.7. By asking about convictions at the application phase or prior to extending an employment offer, Employers violated California’s Fair Chance Act, and thereby violated Labor Code section 432.5 by unlawfully requiring Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to disclose arrests and/or convictions as a condition of employment.

Unlawful PAGA Waiver

Additionally, Employers violated Labor Code section 432.5 by requiring Employee, Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to other unlawful agreements, including but not limited to, an unlawful waiver of PAGA and or representative actions as a

condition of employment.

An action pursuant to PAGA “...is a representative action on behalf of the state” *Kim v Reins Int’l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87. It is well settled that agreements purporting to waive an employee’s right to a trial of PAGA claims is contrary to California law and unenforceable. *See Iskanian v CLS Transportation Los Angeles, LLC* (2014) 59 Cal. 4th 348, 384 (“We conclude that where, as here, an employment agreement compels the waiver of representative claims under the PAGA, it is contrary to public policy and unenforceable as a matter of state law.”)

Moreover, the California Supreme Court has ruled that a court cannot compel arbitration of an aggrieved employee’s individual PAGA claim because there is no such thing as an individual PAGA claim. *Kim v Reins Int’l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87 (“There is no individual component to a PAGA action because ‘every PAGA action ... is a representative action on behalf of the state.’”)

Upon information and belief, Employers required Employee, Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to waive their right to a trial of PAGA claims in violation of California law. By requiring Employee, Aggrieved Employees and Exempt Aggrieved Employees to agree, in writing, to an unlawful PAGA waiver, Employers required written agreement to an unlawful provision as a condition of employment which is a violation of labor code section 432.5.

As such, Employee, Aggrieved Employees and Exempt Aggrieved Employees continue to be subject to various unlawful provisions as a condition of employment.

Preventing Employees from Using or Disclosing Skills, Knowledge, and Experience

On information and belief, Employers had and have a policy or practice of preventing Employee and/or other Aggrieved Employees from using or disclosing the skills, knowledge, and experience they obtained at Employers for purposes of competing with Employers, including, without limitation, preventing Employees from disclosing their wages in negotiating a new job with a prospective employer, and from disclosing who else works at Employers and under what circumstances they might be receptive to an offer from a rival employer. As such, Employee is informed and believes that this violates Business and Professions Code sections 17200, 16600 and 16700, and, by virtue thereof, various provisions of the Labor Code, including Labor Code sections 232, 232.5, and 1197.5, subdivision (k). Employers would be liable for civil penalties pursuant to Labor Code section 2699.

Whistleblower Violations

On information and belief, Employers had and have a policy or practice of preventing Employee and/or other Aggrieved Employees from disclosing violations of state and federal law, either within Employers to their managers or outside Employers to private attorneys or government officials, among others, in violation of Business and Professions Code section 17200, and, thus, in violation of Labor Code section 1102.5. In addition, Employee is informed and believes that these policies and/or practices prevent Employee and/or other Aggrieved Employees from disclosing information about unsafe or discriminatory working conditions, or about wage and hour violations in violation of Labor Code sections 98.6, 232, and 232.5. These violations of the Labor Code would expose Employers to liability for civil penalties pursuant to Labor Code section 2699.

Workplace Health and Safety Violations

On information and belief, Employers had and have a policy or practice of failing to furnish and use safety devices and safeguards, and adopt and use practices, means, methods, operations and processes which are reasonably adequate to render such employment and place of employment safe and healthful, pursuant to, including but not limited to, Labor Code section 6401. Employee is informed and believes, and based thereon alleges that Employers had and have a policy or practice of requiring or permitting employees to go or be in any employment or place of employment which is not safe and healthful, pursuant to Labor Code section 6402. Employee is informed and believes, and based thereon alleges that Employers had and have a policy or practice of failing or neglecting to: provide and use safety devices and safeguards reasonably adequate to render the employment and place of employment safe; adopt and use methods and processes reasonably adequate to render the employment and place of employment safe; and do every other thing reasonably necessary to protect the life, safety, and health of employees, pursuant to Labor Code section 6403. Employee is informed and believes, and based thereon alleges that these failures include, without limitation, failing to disinfect time clocks and other surfaces after use by Employee and/or other Aggrieved Employees; failing to provide adequate protection equipment to Employee and/or other Aggrieved Employees; and failing to provide adequate distance in working conditions between Employee and/or other Aggrieved Employees.

On information and belief, Employers violated section 1527, 3366, 3457 and 8397.4 by failing to provide adequate and readily accessible sanitation facilities; a regular schedule for servicing, cleaning, and supplying each facility to ensure it is maintained in a clean, sanitary and serviceable condition; an adequate supply of suitable cleansing agents, water, single-use towels or blowers; and a sufficient number of toilets to be used by each sex of employee.

Action for Civil Penalties Under PAGA

In light of the above, Employee alleges that Employers violated the following provisions of the Labor Code with respect to the Aggrieved Employees:

1. Labor Code §§ 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages, and overtime wages;
2. Labor Code § 226.7 and applicable Wage Orders by failing to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing to authorize and permit rest periods;
4. Labor Code § 204 by failing to pay all earned wages two times per month;
5. California Labor Code § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;
6. Labor Code §§ 201 to 203 by willfully failing to pay all wages owed at termination;
7. Labor Code § 226 by failing to provide accurate itemized wage statements;
8. Labor Code § 2802 by failing to indemnify for necessary expenditures;
9. Labor Code §§ 226, 432, and 1198.5 by failing to timely produce requested payroll records, timecards, and personnel records;
10. Labor Code § 1174 by failing to keep accurate and complete payroll records;
11. Labor Code §§ 245-248.5 by failing to provide proper sick leave and supplemental paid

- sick leave;
12. Labor Code § 216 for refusal to pay wages due and payable and/or denial of the validity of any claim to wages due;
 13. Labor Code § 223 for secretly paying wages lower than required by statute while purporting to pay legal wages;
 14. Labor Code § 227.3 for failure to pay vested vacation and/or paid time off;
 15. Section 14(A-B) of all applicable IWC Wage Orders for failure to provide suitable seating;
 16. Labor Code § 432.5 for unlawful agreements;
 17. Labor Code § 201.3 for failure to timely provide temporary workers with wages;
 18. Labor Code §§ 98.6, 232, 232.5, 1102.5, and 1197.5 for preventing employees from using or disclosing the skills, knowledge and experience they obtained at Employers, and whistleblower violations;
 19. Labor Code § 432.7 for unlawful inquiries into criminal histories; and
 20. Labor Code §§ 1527, 3366, 3457, 8397.4, 6401, and 6401 for workplace health and safety violations.

Therefore, on behalf of potentially all Aggrieved Employees, Employee seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 1174.5, 1197.1, and 2699.

Employee has placed Employers on notice by mailing a certified copy of this correspondence, as indicated on the first page. Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

WILSHIRE LAW FIRM

A handwritten signature in black ink, appearing to read "John Yslas", is written over the printed name.

John G. Yslas, Esq.

EXHIBIT 3

WILSHIRE LAW FIRM, PLC

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Tae Kim, Esq.	Nathan Kingery, Esq.
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Jennifer P. Burkes, Esq.	Benjamin Haber, Esq.
Mary Caruso, Esq.	Ghazaleh Attaran, Esq.
Johnny Ogata, Esq.	Adam Sherman, Esq.
Nicol Hajjar, Esq.	Jesenia Martinez, Esq.
Stephanie Mazepa, Esq.	Arrash Fattahi, Esq.
Brad Stuckey, Esq.	Jesse Chen, Esq.
Thiago Coelho, Esq.	Arsine Grigoryan, Esq.
Cameron Stewart, Esq.	
Shahin Rezvan, Esq.	

January 31, 2024

LWDA
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612
(Via Online Submission)

Cogency Global Inc.
Agent for Service of Process
Portside Healthcare, Inc.
Ensign Services, Inc.
1325 J St., Ste. 1550
Sacramento, CA 95814
(Via Certified Mail, Return Receipt Requested)
#9489 0090 0027 6579 6254 35

Portside Healthcare, Inc. dba Mission Hills
Post Acute
3680 Reynard Way
San Diego, CA 92103
(Via Certified Mail, Return Receipt Requested)
#9489 0090 0027 6579 6254 42

Portside Healthcare, Inc. dba Mission Hills
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29222 Rancho Viejo Rd., #127
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(Via Certified Mail, Return Receipt Requested)
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Re: ***Angie Duran v. Portside Healthcare, Inc. dba Mission Hills Post Acute, et al.***
Notice of Labor Code Violations and PAGA Penalties

To Whom It May Concern:

Please be advised that my office has been retained by Angie Duran ("Ms. Duran" or "Employee") to pursue a Labor Code Private Attorneys General Act of 2004 ("PAGA") representative action (Cal. Lab. Code §§ 2699, *et seq.*) against Employee's former employers, Portside Healthcare, Inc. dba Mission Hills Post Acute and Ensign Services, Inc. ("Employers"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Employers engaged in with respect to Employee and some or potentially all of Employers' Aggrieved Employees.

Ms. Duran wishes to pursue this action on behalf of Employee as Aggrieved Employees, on behalf of the State of California, as well as on behalf of some or potentially all other persons who worked for Employers in California as a non-exempt or hourly-paid employee at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Employee and the Aggrieved Employees, or some of them, suffered the Labor Code violations described below.

Ms. Duran's Employment with Employers

Employers are a nursing facility. Employee worked as a nursing assistant. Employee's primary job function was to assist residents with their daily living activities, such as hygiene and eating, while monitoring general health and vital signs and reporting to the scheduled registered nurse. In performing Employee's duties, Employee was regularly required to perform work (off-the-clock), without compensation. Employee was also frequently deprived of an opportunity to take legally compliant meal and rest breaks. Employers failed to provide Employee and other Aggrieved Employees with the meal and rest break premiums they were entitled to under the Labor Code. Additionally, Employee necessarily incurred business-related expenses, but Employers failed to reimburse such business-related expenses. These are just non-exhaustive examples of the facts and theories the Employee asserts, which are described in more detail below.

Employers own/owned and operate/operated an industry, business, and establishment within the State of California. As such and based upon all the facts and circumstances incident to Employers' business in California, Employers are subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission ("IWC"), and the California Business & Professions Code.

Ms. Duran is a resident of San Diego, California who worked for Employers in San Diego County, California as an hourly-paid, non-exempt employee from approximately December 2022 to approximately February 2023.

During Employee's employment for Employers, Employers paid Employee an hourly wage and classified Employee as non-exempt from overtime. Employers typically scheduled Employee to work at least five days in a workweek and at least eight hours per day, but Employee also worked more than eight hours in a workday and more than forty (40) hours in a workweek.

Throughout Employee's employment, Employers failed to pay for all hours worked (including minimum, straight time, and overtime wages), failed to provide Employee with legally compliant meal periods, failed to authorize and permit Employee to take rest periods, failed to timely pay all final wages to Employee when Employers terminated Employee's employment, failed to furnish accurate wage statements to Employee, failed to indemnify Employee for business expenditures, and failed to timely produce Employee's requested employment records. As discussed below, Employee's experience working for Employers was typical and illustrative.

Failure to Pay for All Hours Worked, Including Minimum, Straight Time, and Overtime Wages

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

Throughout the statutory period, Employers at times failed to pay Employee and the Aggrieved Employees, or some of them, for all hours worked, including minimum, straight time, and overtime wages. Employers at times required Employee and the Aggrieved Employees, or some of them, to work “off-the-clock,” uncompensated, by, for example, requiring Employee and the Aggrieved Employees to perform work during uncompensated meal periods and rest periods, and requiring Employee and the Aggrieved Employees to perform work before clocking in and/or after clocking out. Some of this unpaid work should have been paid at the overtime rate. California Labor Code § 510 requires that employers compensate employees 1.5 times their regular rate of pay when employees work over eight hours per day, 40 hours per week, or when employees work up to eight hours on any seventh day of a workweek. Employers at times failed to properly calculate Employee’s regular rate of pay when paying overtime, by failing to include all compensation in Employee’s overtime calculations. In failing to pay for all hours worked, Employers also failed to maintain accurate records of the hours Employee and the Aggrieved Employees, or some of them, worked.

Throughout the statutory period, Employers also engaged, at times, in a practice of improper rounding. Under *Camp v. Home Depot U.S.A., Inc.* (2022) 84 Cal.App.5th 638, because Employers could and did track the exact time in minutes that Employee worked, they must pay for all time worked. When an employer uses an electronic timekeeping system to record time worked, this ability to “precisely capture time worked” means that “the employer must pay the employee for that worktime when due.” (*Id.* at 671.)

As a result of Employers’ rounding policy, Employee consistently was not compensated at least minimum wage for all hours that Employee worked.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Employers at times wrongfully failed to provide Employee and the Aggrieved Employees, or some of them, with their legally mandated 30-minute, uninterrupted, and duty-free meal period in a manner required by law (and also including but not limited to failing at times to provide Plaintiff, the Class, and the Aggrieved Employees, or some of them, the opportunity to leave the work premises to take meal periods). Employers also continued to assert control over Employee and the Aggrieved Employees, or some of them, by, among other things, requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal periods, or by denying Employee and the Aggrieved Employees, or some of them, permission to take a meal period under the conditions required by law, and without properly compensating Employee and the Aggrieved Employees, or some of them, for meal periods that were not provided as required by law. Employers also did not inform Employee of Employee’s right to, nor permitted Employee to take, all of Employee’s second meal periods when Employee worked at least ten hours of work in a workday and otherwise

unlawfully pressured Employee to waive such breaks. Accordingly, Employers at times failed to provide meal periods to Employee and the Aggrieved Employees, or some of them, in compliance with California law.

Employee and the Aggrieved Employees, or some of them, are thus entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s). Employers, however, at times failed to pay Employee and the Aggrieved Employees, or some of them, the additional wages to which they were entitled for meal periods that were not provided.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of ten uninterrupted minutes for each four hours of work or major fraction of four hours (i.e., more than two hours). Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Throughout the statutory period, Employers at times have wrongfully failed to authorize and permit Employee and the Aggrieved Employees, or some of them, to take legally compliant rest periods in a manner required by law (and also including but not limited to failing, at times, to authorize and permit Plaintiff, the Class, and the Aggrieved Employees, or some of them, the opportunity to leave the work premises to take rest periods). Employers at times required Employee and the Aggrieved Employees, or some of them, to work in excess of four consecutive hours a day without Employers' authorizing and permitting Employee to take a 10-minute, uninterrupted, duty-free rest period for every four hours of work (or major fraction of four hours), or without compensating Employee and the Aggrieved Employees, or some of them, for rest periods that were not authorized or permitted.

Instead, Employers at times continued to assert control over Employee and the Aggrieved Employees, or some of them, by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest periods, or at times by denying Employee and the Aggrieved Employees, or some of them, permission to take a rest period. Accordingly, Employers at times failed to authorize and permit Employee and the Aggrieved Employees, or some of them, to take rest periods in compliance with California law. Employee and the Aggrieved Employees, or some of them, are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s).

Employers, however, at times failed to pay Employee and the Aggrieved Employees, or some of them, the additional wages to which they were entitled for rest periods that they were not authorized and permitted to take.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

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Failure to Pay All Earned Wages Twice Per Month

Based on Employers' failure at times to pay Employee and the Aggrieved Employees, or some of them, for all wages as discussed above, Employers also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However, at times, Employers failed and refused to pay the Employee all wages due, and failed to pay those wages twice a month, in that Employee was not paid all wages for all meal periods not provided by Employers, all wages for all rest periods not authorized and permitted by Employers, and all wages for all hours worked. As a result, Employers owe Employee the legally required wages for unpaid wages, and Employee and the Aggrieved Employees, or some of them, suffered damages in those amounts.

Moreover, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Employee seeks penalties under California Labor Code § 1174(d). Pursuant to California Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Employers, however, at times failed to maintain accurate records of hours worked and all meal periods taken or missed by Employee and the Aggrieved Employees, or some of them.

Employers' failure to provide and maintain records required by the California Labor Code and the applicable IWC Wage Orders deprived Employee and the Aggrieved Employees, or some of them, the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Employers' records. Therefore, Employee and the Aggrieved Employees, or some of them, had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Employers. As a direct result, Employee and the Aggrieved Employees, or some of them, have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorneys' fees in seeking to compel Employers to fully perform their obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Employers' knowing failure, at times, to comply with the California Labor Code and applicable IWC Wage Orders, Employee and the Aggrieved Employees, or some of them, have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee

voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

Within the applicable statute of limitations, the employment of Employee and many other Aggrieved Employees ended, i.e., was terminated by quitting or being discharged, and the employment of others will be terminated. However, during the relevant time period, Employers at times failed, and continue at times to fail, to pay Employee and terminated Aggrieved Employees, or some of them, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Employers' employment. These unpaid wages include wages for unpaid work time (including minimum, straight time, and overtime wages), missed meal period premium wages, and missed rest period premium wages.

Employers' conduct violates Labor Code §§ 201 and 202. Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Employee and the Aggrieved Employees, or some of them, are entitled to recover from Employers their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to thirty (30) days maximum pursuant to Labor Code § 203.

Moreover, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: "An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney's fees." (Lab. Code § 226(e)(1).)

Throughout the statutory period, Employers at times failed to, and continue at times to fail, to timely furnish Employee and the Aggrieved Employees, or some of them, with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, correct wages for meal periods that were not provided in accordance with California law, and correct wages for rest periods that were not authorized and permitted to take in accordance with California law).

Because Employers at times violated Labor Code § 226, Employee and similarly Aggrieved Employees, or some of them, suffered injury and damage to their statutorily protected rights. Accordingly, Employee and similarly Aggrieved Employees, or some of them, are entitled to recover from Employers the greater of their actual damages caused by Employers' failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per employee. Moreover, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 226.3 for failing to timely furnish accurate itemized wage statements.

Failure to Indemnify for Necessary Expenditures

Labor Code § 2802(a) provides that employers shall indemnify their employees for all necessary business expenditures or losses that have been incurred by the employees in direct discharge of his or her duties. Throughout the statute of limitations period applicable to this cause of action, Employers at times wrongfully required Employee and the Aggrieved Employees, or some of them, to pay expenses that they incurred in direct discharge of their duties for Employers. Employee and the Aggrieved Employees, or some of them, at times paid out-of-pocket for necessary employment-related expenses. Employee and the Aggrieved Employees, or some of them, incurred substantial expenses as a direct result of performing their job duties for Employers, but Employers failed to indemnify Employee and the Aggrieved Employees, or some of them, for these employment-related expenses.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 2802 and 2699(f)(2) for failing to indemnify Employee and the Aggrieved Employees, or some of them, for necessary business expenditures.

Failure to Produce Requested Employment Records

Labor Code § 226 provides that current and former employees have the right to inspect or receive a copy of their records pertaining to their employment, upon reasonable request to their employer. Under this statute, an employer that receives a request to inspect or receive a copy of records pertaining to a current or former employee must comply with the request as soon as practicable, but no later than twenty-one (21) calendar days from the date of the request. Labor Code § 1198.5(a) also provides that every current and former employee, or his or her representative, has the right to inspect and receive a copy of the personnel records that the employer maintains relating to the employees' performance or to any grievance concerning the employee. Under this statute, upon written request from a current or former employee or his or her representative, an employer must make the contents of those personnel records available for inspection or provide a copy of the personnel records to the current or former employee, or his or her representative, not later than thirty (30) calendar days from the date the employer receives the written request, subject to some limited exceptions.

Labor Code § 432 provides that if an employee or applicant signs any instrument relating to the obtaining or holding of employment, he or she shall be given a copy of the instrument upon request.

On information and belief, Employee and the Aggrieved Employees, or some of them, submitted written request(s) to Employers for their payroll records, timecards, and personnel records but did not timely receive them as required by the Labor Code.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 226(f), 1198.5(k), and 2699 for failing to timely produce the requested records.

Recordkeeping Requirement Violations

California Labor Code section 1174 requires employers to keep “accurate and complete” payroll records showing, among other things, the hours worked daily by Employees and Aggrieved Employees. All applicable IWC Wage Orders, section 7 similarly requires employers to keep accurate time records reflecting the times during which all owed meal periods were provided each day.

Based on information and belief, Employers at times failed, and continue at times to fail, to keep accurate and complete payroll records as required by law, including but not limited to the following records: total daily hours worked, applicable rates of pay, time records showing when Employee and other Aggrieved Employees began and ended each work period, time records of meal periods, and accurate itemized wage statements.

Based on information and belief, Employers at times failed and continue at times to fail to keep accurate and complete records showing total hours worked by Employee and Aggrieved Employees, or some of them, by virtue of Employers’ time rounding and/or auto deduction policies and practices and/or other off-the-clock work policies and practices. Employers failed at times and continue at times to fail to keep accurate and complete records showing total hours worked by virtue of Employers’ failure to relieve Employee and Aggrieved Employees, or some of them, of all duties and Employers’ control for unpaid meal periods, resulting in unpaid hours worked.

Based on information and belief, Employers further failed at times, and continue at times to fail, to record the true start and end times of Employee’s and Aggrieved Employees’ meal periods, or some of them.

Based on further information and belief, Employers further failed at times and continue at times to fail, to record the true start and end times of Employee’s and Aggrieved Employees’ work shifts, or some of them.

Additionally, Employers at times failed, and continue at times to fail, to keep accurate records and issue accurate wage statements by not documenting accrued sick time for Employee and Aggrieved Employees, or some of them. Employers’ failure to keep “accurate and complete” payroll records for Employee and Aggrieved Employees, or some of them, violates Labor Code sections 1174, 1198, 1199, and all applicable IWC Wage Orders, section 7. These violations subject Employers to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each Aggrieved Employee (or some of them), results in a separate civil penalty.¹

¹ See Lab. Code §2699(f)(2) (establishing that the civil penalty is “for each aggrieved employee per pay period”).

Violation of Wage Theft Protection Act of 2011

Based on information and belief, Employers failed at times, and continue at times to fail, to comply with the notice requirements of Labor Code section 2810.5 (*i.e.*, the Wage Theft Protection Act of 2011) by, among other things, failing to provide Employee and Aggrieved Employees, or some of them, with the rates of pay and overtime rates of pay applicable to their employment, allowances claimed as part of the minimum wage, the regular payday designated by Employers, the name of the employer, including any “doing business as” names used, the name, address and telephone number of the workers’ compensation insurance carrier, information regarding paid sick leave, and other pertinent information required to be disclosed by Employers under Labor Code section 2810.5. Employee is informed and believes that failure to provide such information, including rates of pay that are in effect, has permitted Employers to pay Aggrieved Employees, or some of them, at rates of pay that were not agreed upon and violate minimum wage and overtime wage laws in California. Employee is additionally informed and believes that the notice requirement of Labor Code section 2810.5 involves a mandatory payroll or workplace injury reporting. Among other relief, Aggrieved Employees, or some of them, may collect from Employers in connection with these violations’ civil penalties pursuant to Labor Code sections 558 and 2699.

Violation of California Labor Code §§ 245-248.5

Throughout the relevant time period, Employers at times failed to provide proper paid sick leave to Employee and other Aggrieved Employees, or some of them. Employers either failed at times to provide paid sick leave at all or improperly calculated the sick leave accrual and the sick leave rate of pay owed to Employee and other Aggrieved Employees, or some of them, by failing at times to base the accrued sick leave hours on the correct number of hours worked (as a result of the rounding/automatic deduction policies and practices for meal periods and/or shift start and end times/other required off-the-clock work including but not limited to unpaid meal periods that were restricted to Employers’ premises) and by failing at times to incorporate multiple rates of pay and/or all non-discretionary remuneration, including but not limited to, non-discretionary bonuses, shift differential pay and/or other non-discretionary compensation into the sick leave pay rate calculation.

Based on information and belief, Employers further failed at times to provide notice of the correct sick leave amount balance available to Employee and other Aggrieved Employees, or some of them, on their wage statements or other written statement.

Based on information and belief, Employers at times failed to put Aggrieved Employees, or some of them, on notice of their paid sick leave rights, thereby failing at times to put their entitlement to sick leave in a Labor Code section 2810.5 notice. In addition, Employers at times failed to maintain accurate records of used sick leave and the balance of paid sick leave left to the Aggrieved Employees, or some of them.

Based on information and belief, Employers at times failed to provide notice of sick leave amount balance left for Employee and other Aggrieved Employees, or some of them, thus affecting their intelligent exercise of their paid sick leave. But for this failure, Employee, and other Aggrieved Employees, or some of them, would have used their paid sick leave at least prior to their respective separations, for as on several occasions thereafter, he or she would have been entitled to use the banked sick leave and earn appropriate compensation. This illegal retention of paid sick leave is unlawful, and Employee seeks all forms of injunctive relief, restitution, and declaratory relief as permitted by California law, on behalf of Employee and the Aggrieved Employees, or some of them.

In violation of Labor Code section 247.5, Employers at times failed to maintain records documenting the hours worked and paid sick days accrued and used by Employee and Aggrieved Employees, or some of them, permitting the presumption that Employee and these Aggrieved Employees, or some of them, were entitled to the maximum number of hours accruable under this article.

Upon information and belief, Employers at times further failed and continue at times to fail to comply with Labor Code section 246, by failing to provide Employee and Aggrieved Employees, or some of them, with a Labor Code section 226 wage statement, or separate writing containing the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, at the time it pays wages.

Employers at times unlawfully retained and continue at times to retain paid sick leave that should have been paid but was not, as a result of Employers' failure, at times, to properly institute a paid sick leave program.

On information and belief, Employee alleges that these practices at times were experienced and continue to be experienced at times by other Aggrieved Employees, or some of them.

Employee requests all appropriate relief under the PAGA and these statutes, including but not limited to the restitution of earned paid sick leave that could have been used, but was not due to Employers' sole failure to institute such a paid sick leave entitlement or paid sick leave bank as required by California law.

Accordingly, Employee and other Aggrieved Employees, or some of them, are entitled to injunctive relief, attorneys' fees, declaratory relief, restitution, and penalties as permitted by law. Employee requests all relief pursuant to the aforementioned code provisions, including but not limited to Labor Code sections 233 and 234, which incorporates the paid sick leave requirements.

Failure To Provide Supplemental Paid Sick Leave

Labor Code section 248.2 provides that all employers with 26 or more employees are required to provide up to 80 hours for covered employees to take 2021 COVID-19 Supplemental Paid Sick Leave to care for themselves, to care for a family member or if it is vaccine-related. Based on information and belief, Employers at times violated Labor Code section 248.2 by not providing Aggrieved Employees, or some of them, with required 2021 COVID-19 Supplemental Paid Sick Leave.

Refusal to Make Payment

Labor Code section 216 declares unlawful an employer's refusal to pay wages due and payable and/or denial of the validity of any claim to wages due.

Employers at times violated and continue at times to violate Labor Code section 216 by failing to pay Employee and Aggrieved Employees, or some of them, for all hours worked at the proper wage rate and by failing to pay Employee and Aggrieved Employees, or some of them, an additional hour of pay for each meal and/or rest period not provided or that was invalid. *Gould v. Maryland Sound Industries, Inc.* (1995) 31 Cal.App.4th 1137, 1154-1155.

These violations subject Employers to civil penalties under Labor Code section 225.5. Each violation results in a *separate* civil penalty, for each Aggrieved Employee (or some of them) so

affected, for each pay period (or some of them) during which the statute's provisions were violated.²

Seating Violations

Per section 14(A-B) of all applicable IWC Wage Orders, employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats and when they are not actively engaged in the work duties that would not permit them to be seated.

All applicable IWC Wage Orders, Section 14(A-B) provides:

(A) All working employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats.

(B) When employees are not engaged in the active duties of their employment and the nature of the work requires standing, an adequate number of suitable seats shall be placed in reasonable proximity to the work area and employees shall be permitted to use such seats when it does not interfere with the performance of their duties.

Suitable seating is one of the worker protections covered by California's Wage Orders, which have the same dignity as statutes, are remedial in nature and are to be broadly construed to effectuate the goal of protecting the comfort and welfare of employees. *Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004, 1027 (2012).

Based on information and belief, Employers at times failed to provide Aggrieved Employees, or some of them, with suitable seating, and when such employees, or some of them, were not engaged in duties which required them to stand, at times no seating was placed in reasonable proximity to their workstations.

Moreover, based on information and belief, the nature of the work reasonably permitted the use of seats for at least part of the time that Aggrieved Employees were working. Lastly, based on information and belief, Aggrieved Employees at times were not engaged in active duties of their employment, yet at times there were no suitable seats in reasonable proximity to the work area, and use of seats would not have interfered with the performance of their duties.

Employers' Aggrieved Employees worked in various positions. The nature of Employee's and other Aggrieved Employees' work, or some of them, reasonably permitted the use of seats. However, Employers at times failed to provide suitable seating in reasonable proximity to Aggrieved Employees' work areas, or some of them, in violation of section 14(A-B) of applicable Wage Orders, and Labor Code sections 1198 and 1199, subjecting Employers to civil penalties under Labor Code sections 1199 and 2699. Each violation of each Labor Code section and IWC Wage Order provision, for each Aggrieved Employee, or some of them, results in a separate civil penalty.³

² Labor Code § 225.5 (establishing that "[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee") (emphasis added).

³ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

Statutory Wage Violations

Labor Code section 223 makes it unlawful for an employer to secretly pay wages lower than required by statute while purporting to pay legal wages.

As described above, Employers at times willfully and systematically denied Employee and other Aggrieved Employees, or some of them, of minimum and overtime wage compensation for all hours worked which resulted in the payment of less than statutorily required wages owed to them. Employers at times acted with the intent to deprive some or all of them of statutory wages, including, but not limited to, overtime wages and minimum wages, to which they were entitled to under California law.

Thus, Employers at times paid Employee and other Aggrieved Employees, or some of them, lower wages than those to which they were entitled, while purporting that Employee and all Aggrieved Employees were properly paid. As such, Employee and Aggrieved Employees, or some of them, are entitled to recover penalties, attorneys' fees, costs, and interest thereon, pursuant to Labor Code § 2699(f)-(g).

Failure to Pay Vested Vacation/Paid Time Off

California Labor Code section 227.3 provides that when an employer policy provides for paid vacations and/or paid time off, and an employee is terminated without having taken off his, her, or their vested vacation time, all vested vacation shall be paid to the employee as wages at the employee's final rate in accordance with such contract of employment or employer policy respecting eligibility or time served and that there shall be no forfeiture of vested vacation time or paid time off upon termination. Based on information and belief, Employers at times had and continue at times to have a policy and/or practice of failing to allow Aggrieved Employees, or some of them, and Exempt Aggrieved Employees, or some of them, to use their earned vacation/paid time off during their employment and failing at times to pay all vested, accrued paid time off to Aggrieved Employees, or some of them, and/or Exempt Aggrieved Employees, or some of them, upon separation of employment, in violation of California law, including but not limited to, Labor Code section 227.3.

Failure to Timely Provide Temporary Workers with Owed Wages

On information and belief, Employers at times had and have failed to provide temporary workers, or some of them, with owed wages weekly by not later than the regular payday of the following week. As a result, pursuant to Labor Code section 201.3, Employers would be liable for civil penalties pursuant to Labor Code sections 201.3.

Unlawful Agreements/ Unlawful Criminal History Inquiries

Unlawful Agreements

Labor Code section 432.5 provides that "no employer ... shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer ... to be prohibited by law." Based on information and belief, Employers at times required Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to unlawful conditions of employment including but not limited to unlawful non-compete and/or non-solicitation agreements as well as unlawful criminal and/or financial checks as a condition of obtaining and/or continuing employment in violation of Labor Code section 432.5.

The California Labor Code places certain procedural and substantive limits on employers' ability to conduct employee background checks and on how employers can use the information they obtain through those background checks. Labor Code section 1024.5 states that employers, except for financial institutions, may order a credit check only if the individual works (or is applying to work) in certain positions (e.g., managerial positions, financially related positions, and certain government positions).

Additionally, the Investigative Consumer Reporting Agencies Act (ICRAA - CA Civil Code section 1786, *et seq.*) and the Fair Credit Reporting Act (FCRA - 15 U.S.C. section 1681, *et seq.*) mandate several requirements prior to and following an employee background check, including but not limited to identifying an appropriate reason for the background check, a separate consent form with required disclosures and certain formatting requirements, additional forms such as a summary of rights, a way by which to request a copy of the report, as well as proper notice of adverse actions taken, among other statutory requirements.

Based on information and belief, Employers at times ordered unlawful financial credit checks on Aggrieved Employees and Exempt Aggrieved Employees, or some of them, in violation of Labor Code section 1024.5, and at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to provide ongoing written consent to the unlawful credit checks as a condition of employment, in violation of California and Federal law, which results in a further violation of Labor Code section 432.5.

Based on information and belief, Employers also at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to submit and/or agree to submit in writing to unlawful criminal background checks as a condition of obtaining and/or holding employment in violation of the ICRAA and the FCRA. For example, based on information and belief, Employers required Employee to submit and/or agree to submit in writing to an unlawful background check as a condition of obtaining and/or holding employment in violation of, including but not limited to, Labor Code section 432.5.

Based on information and belief, Employers at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to a background check which failed to abide by the requirements set forth in California Civil Code section 1786, *et seq.* and 15 U.S.C. section 1681, *et seq.*, including but not limited to by failing, at times, to provide a clear and conspicuous disclosure (and/or failing to provide any disclosure at all), failing at times to provide disclosures free of extraneous information, failing at times to provide a lawful purpose for the background check, failing at times to provide a summary of rights under the ICRAA and/or the FCRA, failing at times to provide a way by which the individual could request a copy of the report, failing at times to disclose the name, address, and telephone number of the third party preparing the report, and failing at times to properly obtain authorization or consent to such a background check, and thus was an unlawful background check.

By at times requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to unlawful criminal and/or financial checks not in conformance with the applicable laws, Employers violated Labor Code section 432.5.

Based on information and belief, Employers also at times required Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to provide ongoing consent to Employers to conduct background checks throughout the duration of employment, in violation of the ICRAA and/or FCRA and/or other applicable laws, resulting in a further violation of Labor Code section 432.5, by at times requiring applicants and employees, or some of them, to agree to

an unlawful provision as a condition of employment.

Based on further information and belief, Employers knew that requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree at times to unlawful criminal and/or financial background checks as a condition of obtaining and/or holding employment was unlawful.

By requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree at times in writing to unlawful provisions as a condition of employment, Employers violated Labor Code section 432.5.

Unlawful Inquires into Criminal History

Labor Code section 432.7 prohibits an employer from asking applicants about past arrest(s) unless they resulted in conviction(s) and even then, certain limitations apply. Based on information and belief, Employers at times asked Aggrieved Employees and Exempt Aggrieved Employees, or some of them, about arrests not resulting in convictions on their employment application, in violation of California law.

Upon information and belief, Employers, in violation of California law, including but not limited to the Fair Chance Act/the California Fair Employment and Housing Act (“FEHA”), at times asked Aggrieved Employees and Exempt Aggrieved Employees, or some of them, about convictions prior to extending an offer of employment and/or otherwise impermissibly inquired into criminal history on their employment application in violation of California law.

By asking, at times, about arrests not resulting in convictions, Employers violated Labor Code section 432.7. By asking, at times, about convictions at the application phase or prior to extending an employment offer, Employers violated California’s Fair Chance Act, and thereby violated Labor Code section 432.5 by unlawfully requiring Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to disclose arrests and/or convictions as a condition of employment.

Unlawful PAGA Waiver

Additionally, Employers at times violated Labor Code section 432.5 by requiring Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to other unlawful agreements, including but not limited to an unlawful waiver of PAGA and or representative actions, as a condition of employment.

An action pursuant to PAGA “...is a representative action on behalf of the state” *Kim v Reins Int’l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87. It is well settled that agreements purporting to waive an employee’s right to a trial of PAGA claims is contrary to California law and unenforceable. *See Iskanian v CLS Transportation Los Angeles, LLC* (2014) 59 Cal. 4th 348, 384 (“We conclude that where, as here, an employment agreement compels the waiver of representative claims under the PAGA, it is contrary to public policy and unenforceable as a matter of state law.”).

Moreover, the California Supreme Court has ruled that a court cannot compel arbitration of an aggrieved employee’s individual PAGA claim because there is no such thing as an individual PAGA claim. *Kim v Reins Int’l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87 (“There is no individual component to a PAGA action because ‘every PAGA action ... is a representative action on behalf of the state.’”).

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Upon information and belief, Employers at times required Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree in writing to waive their right to a trial of PAGA claims in violation of California law. By at times requiring Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, to agree, in writing, to an unlawful PAGA waiver, Employers at times required written agreement to an unlawful provision as a condition of employment, which is a violation of labor code section 432.5.

As such, Employee, Aggrieved Employees and Exempt Aggrieved Employees, or some of them, continue to be subject at times to various unlawful provisions as a condition of employment.

Preventing Employees from Using or Disclosing Skills, Knowledge, and Experience

On information and belief, Employers at times have prevented Employee and/or other Aggrieved Employees, or some of them, from using or disclosing the skills, knowledge, and experience they obtained at Employers for purposes of competing with Employers, including, without limitation, preventing Employees, or some of them, from disclosing their wages in negotiating a new job with a prospective employer, and from disclosing who else works at Employers and under what circumstances they might be receptive to an offer from a rival employer. As such, Employee is informed and believes, this violates Business and Professions Code sections 17200, 16600 and 16700 and, by virtue thereof, various provisions of the Labor Code, including Labor Code sections 232, 232.5, and 1197.5, subdivision (k). Employers would be liable for civil penalties pursuant to Labor Code section 2699.

Whistleblower Violations

On information and belief, Employers at times have prevented Employee and/or other Aggrieved Employees, or some of them, from disclosing violations of state and federal law, either within Employers to their managers or outside Employers to private attorneys or government officials, among others, in violation of Business and Professions Code section 17200, and thus in violation of Labor Code section 1102.5. In addition, Employee is informed and believes that these policies and/or practices at times prevent Employee and/or other Aggrieved Employees, or some of them, from disclosing information about unsafe or discriminatory working conditions, or about wage and hour violations in violation of Labor Code sections 98.6, 232, and 232.5. These violations of the Labor Code would expose Employers to liability for civil penalties pursuant to Labor Code section 2699.

Workplace Health and Safety Violations

On information and belief, Employers at times have failed to furnish and use safety devices and safeguards, and adopt and use practices, means, methods, operations and processes which are reasonably adequate to render such employment and place of employment safe and healthful, pursuant to, including but not limited to, Labor Code section 6401. Employee is informed and believes, and based thereon alleges, that Employers at times have required or permitted employees, or some of them, to go or be in any employment or place of employment which is not safe and healthful, pursuant to Labor Code section 6402. Employee is informed and believes, and based thereon alleges, that Employers at times have failed or neglected to provide and use safety devices and safeguards reasonably adequate to render the employment and place of employment safe; adopt and use methods and processes reasonably adequate to render the employment and place of employment safe; and do every other thing reasonably necessary to protect the life, safety, and health of employees, pursuant to Labor Code section 6403. Employee is informed and believes, and based thereon alleges, that these failures include, without limitation, at times failing to

disinfect time clocks and other surfaces after use by Employee and/or other Aggrieved Employees, or some of them; at times failing to provide adequate protection equipment to Employee and/or other Aggrieved Employees, or some of them; and at times failing to provide adequate distance in working conditions between Employee and/or other Aggrieved Employees, or some of them.

On information and belief, Employers violated section 1527, 3366, 3457 and 8397.4 by failing at times to provide adequate and readily accessible sanitation facilities; a regular schedule for servicing, cleaning, and supplying each facility to ensure it is maintained in a clean, sanitary and serviceable condition; an adequate supply of suitable cleansing agents, water, single-use towels or blowers; and a sufficient number of toilets to be used by each sex of employee.

Action for Civil Penalties Under PAGA

In light of the above, Employee alleges that Employers at times violated the following provisions of the Labor Code with respect to the Aggrieved Employees, or some of them:

1. Labor Code §§ 204, 510, 1194, 1197, and 1198 by failing at times to pay for all hours worked, including minimum wages, straight time wages, and overtime wages;
2. Labor Code § 226.7 and applicable Wage Orders by failing at times to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing at times to authorize and permit rest periods;
4. Labor Code § 204 by failing at times to pay all earned wages two times per month;
5. California Labor Code § 1174.5 and applicable Wage Orders by failing at times to maintain accurate records of hours worked and meal periods taken or missed;
6. Labor Code §§ 201 to 203 by willfully failing at times to pay all wages owed at termination;
7. Labor Code § 226 by failing at times to provide accurate itemized wage statements;
8. Labor Code § 2802 by failing at times to indemnify for necessary expenditures;
9. Labor Code §§ 226, 432, and 1198.5 by failing at times to timely produce requested payroll records, timecards, and personnel records;
10. Labor Code § 1174 by failing at times to keep accurate and complete payroll records;
11. Labor Code §§ 245-248.5 by failing at times to provide proper sick leave and supplemental paid sick leave;
12. Labor Code § 216 for refusal at times to pay wages due and payable and/or denial at times of the validity of any claim to wages due;
13. Labor Code § 223 for at times secretly paying wages lower than required by statute while purporting to pay legal wages;
14. Labor Code § 227.3 for failure at times to pay vested vacation and/or paid time off;
15. Section 14(A-B) of all applicable IWC Wage Orders for failure at times to provide suitable seating;
16. Labor Code § 432.5 for unlawful agreements;
17. Labor Code § 201.3 for failure at times to timely provide temporary workers, or some

- of them, with wages;
18. Labor Code §§ 98.6, 232, 232.5, 1102.5, and 1197.5 for at times preventing employees, or some of them, from using or disclosing the skills, knowledge and experience they obtained at Employers, and whistleblower violations;
 19. Labor Code § 432.7 for unlawful inquiries at times into criminal histories; and
 20. Labor Code §§ 1527, 3366, 3457, 8397.4, 6401, and 6401 for workplace health and safety violations.

Therefore, on behalf of potentially Aggrieved Employees, Employee seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 1174.5, 1197.1, and 2699.

Employee has placed Employers on notice by mailing a certified copy of this correspondence, as indicated on the first page. Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

WILSHIRE LAW FIRM

A handwritten signature in black ink, appearing to read "John Yslas", is written over the printed name.

John G. Yslas, Esq.